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ABSTRACT

This document, the annual report of the United States Department of Education for FY 1984, provides a comprehensive account of departmental activities for the year. The opening report of the Secretary details major accomplishments of the Reagan Administration in education for FY 1984. This is followed by a report from the Office of Private Education, a chart of departmental organization, and a comprehensive report of the Office of the Under Secretary, describing the Office of Management, the Office of the Deputy Undersecretary for Planning, Budget, and Evaluation, and the Office of the Deputy Undersecretary for Intergovernmental and Interagency Affairs. Subsequent chapters cover activities of the offices of the Inspector General, of Elementary and Secondary Education, of Special Education and Rehabilitative Services, of Bilingual Education and Minority Languages Affairs, of Vocational and Adult Education, of Postsecondary Education, of Educational Research and Improvement, of Civil Rights, of General Counsel, and of Legislation and Public Affairs. An appendix lists advisory councils and committees, along with boards and commissions, active during FY 1984. (TE)

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U.S. DEPARTMENT OF EDUCATION

ANNUAL REPORT

FISCAL YEAR 1984

U.S. DEPARTMENT OF EDUCATION
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EA 017 616

U.S. DEPARTMENT OF EDUCATION

ANNUAL REPORT

FISCAL YEAR 1984

T. H. Bell, Secretary

UNITED STATES DEPARTMENT OF EDUCATION
THE SECRETARY

December 31, 1984

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

In accordance with Section 426 of the Department of Education Organization Act (P.L. 96-88), I have prepared the Department's report for fiscal year 1984. This section of the Act requires the Secretary of Education to submit to the President for transmittal to the Congress a report on the activities of the Department of Education for each fiscal year.

Sincerely,

T. H. Bell

400 MARYLAND AVE., S.W. WASHINGTON, D.C. 20202

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REPORT OF THE SECRETARY

It is my pleasure to submit to the United States Congress the report of the U.S. Department of Education for FY 1984.

Major Accomplishments In Fiscal Year 1984

Excellence in Education

Throughout this fiscal year, we have continued to advance the cause of excellence in education for every student in the Nation. Under President Reagan's leadership, we have built on the recommendations of the report of the National Commission on Excellence in Education, A Nation at Risk, and worked to increase public awareness and concern for education. We realize, however, that the major thrust of this movement continues to be with the states.

I am very pleased to report that the states have responded magnificently to the call for educational reform. In the May 1984 publication of the U.S. Department of Education, titled A Nation Responds, there is a state-by-state listing of recent efforts to improve education. Here are some of the improvements:

- Forty-seven states are considering new high school graduation requirements; 41 have approved changes.
- Twenty-two report initiatives to improve textbooks and instructional materials.
- Eleven have approved lengthening the school day, eight lengthening the school year, and 20 have mandates affecting the amount of time for instruction.
- Twenty-three are examining master teacher or career ladder programs, and 14 have begun statewide or pilot programs.
- Eight are considering changes in academic requirements for extracurricular and athletic programs, and 13 have already adopted more rigorous standards.

President Reagan has been our strongest advocate of the reforms in education that are now underway. He has spoken out on the topic of education more than any other American president, over 50 times to date. Under his leadership we have developed new programs to recognize excellence in education and expanded existing programs.

During FY 1984, we expanded the Department of Education Secondary School Recognition Program to include awards to 202 public secondary schools and 60 private secondary schools.

At the suggestion of President Reagan, we developed the Academic Fitness Award Program. This program, launched last spring, has met with phenomenal success, with over 10,000 schools participating and 229,000 students earning the award.

Following the enormous success of these two programs in stimulating excellence in education, we have launched two additional programs to recognize outstanding elementary school principals and outstanding school board members across the country. Fifty-six elementary school principals and 17 school boards received recognition awards in 1984 through these programs.

We believe these recognition activities represent an appropriate federal role to provide high visibility for issues involving excellence in education.

We see another aspect of our appropriate federal role as providing information on the progress of developing excellence in education. As I have already noted, A Nation Responds is our publication describing the activities of states in carrying out their pursuit of the goal of educational excellence. In addition, I issued a chart earlier this year of various indicators of educational excellence on a state-by-state comparative basis. This was a first attempt to develop data which can be used to measure educational progress in the states.

I am extremely pleased to note that in this fiscal year, SAT scores have shown a national upward trend for the first time in 20 years. We had anticipated that such results might occur in 1985 and subsequent years because of the impact of educational excellence programs which have been recently established. Therefore, we are especially pleased this upward trend has begun even earlier than expected.

I believe that education, and particularly the concern for educational excellence, has now become a leading public issue. This has been demonstrated by the findings from a Gallup Poll, released this year, of the public's attitudes toward the public schools. A summary of these findings shows that the majority of Americans feel public education contributes more to national strength than either industrial might or military power. Americans are more favorably disposed toward the public schools today than at any time in the last decade. And the American public is strongly in favor of developing the best education system in the world. A final indicator that reveals an increase in favorable feelings toward the schools is the public's greater willingness to pay more taxes for public education.

The Secretary's Discretionary Program

The Discretionary Program supports projects and programs designed to meet the special education needs of educationally deprived children and to improve elementary and secondary education for children consistent with the purposes of the Education Consolidation and Improvement Act of 1981.

In FY 1984, two priority areas were funded: Teacher Incentives and Unsolicited Grants (field initiatives). The Secretary's Discretionary Program spent approximately $4.4 million on 91 projects funded under these themes.

Fifty-one planning grants were awarded for the development of teacher incentive structures. Master Teacher, Career Ladder, Monetary and Non-monetary Incentive Programs, and Teacher Evaluation Standards were developed and/or implemented. Approximately $1 million was allocated to fund these projects in FY 1984.

In addition to the established funding priorities, unsolicited applications were funded in Math and Science, Technology, The National Commission on Excellence, Parental Involvement, Prevention of Drug and Alcohol Abuse, Teacher Training, Competency Based Education, and Language Development. The 40 unsolicited grant projects totaled approximately $3.4 million in FY 1984.

Math/Science - Equal Access

On August 11, 1984, President Reagan signed into law the Education for Economic Security Act, P.L. 98-377. Included in the legislation were programs for the support of mathematics and science education, a program to support projects for excellence in local school units, a program to provide assistance for magnet schools as a part of approved desegregation plans, and The Equal Access Act, which makes it unlawful for any public secondary school that receives federal financial assistance and that has a limited open forum to deny equal access or a fair opportunity to, or to discriminate against, any students who wish to conduct a meeting within that limited forum on the basis of the religious, political, philosophical, or other content of the speech at such meetings.

The Administration supported The Equal Access Act during passage and had introduced its own math/science bill in 1983. While the math/science programs, as actually authorized, differed substantially from the Administration's proposal, I believe that the urgent needs in this area warranted immediate attention. Consequently, I placed top priority on the development of regulations and application packages to assure an expedited flow of appropriated funds in this area. Proposed regulations for all of the funded programs were issued in November, and we expect funded projects to begin in the summer and fall of 1985.

While funding of programs is not involved in The Equal Access Act, I have also set a fast track to issue whatever regulations or guidance that will be helpful to local schools and affected groups so that they will be fully informed of their rights under this Act.

Debt Collection

The Department continued to improve on its debt collection efforts, particularly in the area of defaulted student loans; approximately $90 million was collected from borrowers in default during FY 1984.

A major new initiative successfully implemented during FY 1984 was the identification of some 46,000 federal employees who had defaulted on their student loans. These employees were contacted, and those refusing to repay their obligations have had deductions taken from their paychecks to be applied toward outstanding balances. As of June 30, 1984, this program has succeeded in recovering $7.8 million of the $67 million owed by these employees.

In addition, the Office of Student Financial Assistance continues to resolve outstanding audits of Student Aid Programs at institutions of postsecondary education. This resolution identified $20,476,000 for recovery from these institutions.

Prevention and Reduction of Fraud, Waste, and Mismanagement

The Office of the Inspector General (OIG) continued to demonstrate the effectiveness of its audit and investigative activities in combating fraud, waste, and abuse in Department programs and operations throughout this fiscal year. In the last six months, OIG issued 1,422 audit reports which recommended for disallowance or questioned costs totaling over $74 million. During this same 6-month period, OIG investigations resulted in 153 indictments and 70 convictions, with fines and restitutions totaling over $634,000.

Regulation Reform

A major accomplishment of FY 1984 was the completion of deregulation of nine sets of Indian education regulations. We have also initiated deregulation of Impact Aid construction regulations as well as the deregulation of all Student Financial Aid regulations. These deregulation activities were part of our continuing effort to return decisionmaking and control to the state, local, and institutional levels wherever possible and get the regulatory burden off the backs of educators.

Reduction of Reporting Requirement and Paperwork

Since enactment of the Paperwork Reduction Act, the Department has achieved a 35 percent reduction of its 1980 base. We continue to look for burdensome reporting requirements embedded in statutes and regulations and to review major programs for duplicative and overlapping reporting requirements. Our overall strategy for the upcoming fiscal year is to seek out opportunities to increase the use of automated data exchange with a view toward minimizing reporting burden.

An Approach to Civil Rights Enforcement that Persuades More State Education Agency, Local Education Agency, and Higher Education Leadership Commitment to Enforcement of Civil Rights Laws

The Office of Civil Rights (OCR) engaged in a number of activities in FY 1984 to encourage voluntary compliance with the civil rights laws on the part of the state and local education officials. The activities were also designed to persuade state and local officials to strengthen their commitment to the enforcement of civil rights laws.

Primary activities in this area include the development of Memoranda of Understanding (MOU) with state education and human rights agencies, the expansion of OCR's Technical Assistance Program, and continued implementation of Pre-Letter of Findings (LOF) settlements and the Early Complaint Resolution process.

Student Financial Aid

Federal financial assistance programs are a major resource to students attending institutions of postsecondary education. The Department administers six programs of financial aid which provide over $11.5 billion dollars in the form of grants, work, and loans.

An exact census of the number of students assisted by these awards is difficult since many students receive more than one award. However, of the 7.2 million full-time college and university students, it has been estimated that at least half, if not more, benefit from one or more of the Department's programs.

The disbursement system for the Pell Grant program is being redesigned to operate more efficiently, using advanced accounting systems. This system will provide a more precise accounting of Pell Grant funds and more accurate distribution of funds to institutions. The system will also minimize end-of-the-year reconciliation and reporting burdens.

In addition, a pilot project is being conducted which allows a small group of schools to process Pell Grant payments electronically. Once this system is fully operational, it will permit schools to reduce significantly the amount of paper which must be processed to enable eligible students to receive their Pell Grant awards. This new electronic delivery system will also reduce a 6-week payment process to 24 hours.

Special Student Populations

o Efforts to increase the capacity of state agencies were supported under several programs for the handicapped during FY 1984:

1. Early Childhood Education: Grants totaling $5.5 million were awarded state education agencies (SEAs) to assist them in planning, developing, and implementing a comprehensive delivery system for providing special education and related services to handicapped children from birth through 5 years of age.

2. Severely Handicapped and Deaf Blind programs: A new project was funded at approximately $1 million for each of 3 years to provide technical assistance to SEAs and other agencies to facilitate the transition of deaf-blind youth, upon attaining the age of 22, from education to employment and other services such as vocational training and training for independent living. In addition, seven projects conducted by SEAs were continued which are aimed at improving comprehensive statewide planning of services for severely handicapped and deaf-blind children.

3. Special Studies: The Education of the Handicapped Amendments of 1983 authorized cooperative agreements between the Department and SEAs to assess the impact and effectiveness of programs authorized under the Act. In addition to providing valuable information, these projects will result in an enhanced evaluation capacity on the part of state agencies involved in these projects. In FY 1984, cooperative agreements were awarded at about $90,000 each.

4. Regional Resource Centers: Six RRC contracts were modified to increase the effectiveness of the technical assistance they provide to SEAs in a variety of areas, including the coordination of services for adolescents and young handicapped adults, and improving their monitoring of the local education agencies (LEAs) under the Handicapped State Grant program.

o The Office of Special Education Programs (SEP) and the National Institute of Handicapped Research (NIHR) continued to cooperate in the project initially funded in FY 1983 to identify successful instances of joint Individualized Education Program/Individualized Written Rehabilitative Program activities at the state and local level. Nine projects have been identified, and their practices and procedures will be disseminated as models for other service providers throughout the country.

National Adult Literacy Initiative

The Adult Literacy Initiative, created by President Reagan in September 1983 to promote nationwide improvement of adult literacy, has developed strategic plans for working with federal, state, and local governments and has implemented multisector systems to promote attention to literacy among public schools, libraries, volunteer and service organizations, and numerous public human service programs.

In FY 1984, the Initiative has created a momentum for literacy nationwide through:

o 11 state coalitions and at least 7 more in the planning stages;

o 22 state commissions to address the problem;

o several multimillion dollar city initiatives;

o a private sector foundation and large corporate contributions;

o a national advertising council awareness campaign to begin in the winter of 1984;

o 50 college work-study literacy programs;

o an electronic mail/telecommunications system;

- rapidly expanding volunteerism efforts, including federal employee volunteers;
- national literacy projects sponsored by major service groups, including the American Legion, Volunteers of America, General Federation of Women's Clubs, and the National Council of the Aging;
- dramatically increased research and dissemination efforts; and
- major media coverage on all three national networks and in numerous national publications.

The Adult Literacy Initiative and the Private Sector

The Adult Literacy Initiative has been engaged in a wide variety of activities to promote the increase of public-private sector partnerships for improved adult literacy and to encourage greater private sector support of adult literacy efforts — through funding and provision of other resources, establishment of literacy training opportunities for employees through in-house training programs or linkages with local literacy programs, and support of employee volunteerism for literacy. Among its numerous efforts with the private sector, the Initiative has been working with the White House Private Sector Initiatives Office to develop a method for recognizing significant corporate contributions to literacy; with B. Dalton Bookseller, which has donated $800,000 this year to local literacy programs; and with the Business Council for Effective Literacy, Inc., which was created by Harold McGraw, Jr., for the purpose of attracting greater corporate attention and resources to the literacy effort.

Promoting the Private Sector Initiatives Program

The President has assigned the highest priority to encouraging private sector initiatives to accelerate solutions to social and economic problems throughout America. The Office of Private Sector Initiatives was established in the Executive Office of the President, and a task force was set up to advise the Administration on strategies for increasing private contributions to traditional government functions. As a result of specific findings, the Department established the Private Sector Initiatives program.

The goal of this Initiative is to enhance the quality of education through more volunteerism and by creating working partnerships between school, business, and the community. As examples:

- Disney World Project has designed a 15-hour professional development seminar, "Marketing the Good News About Schools," which applies marketing strategies of industry to the task of improving the public perception of schools and education.

- Burger King Corporation, as cosponsor with the National Association of Elementary School Principals in conjunction with the Department of Education and the Tandy Corporation, honored 56 outstanding elementary school principals chosen by their peers in 46 states, the District of Columbia, and Puerto Rico in a new program to honor and provide further training for quality educators.

Looking Toward the Future

We expect to continue to build on the nationwide concern for education. Through the Administration of federal education programs and utilization of federal resources, we will focus on bringing education to the level where every child in the Nation can receive an education of the very highest quality.

OFFICE OF PRIVATE EDUCATION

The Office of Private Education (OPRE) is housed in the Office of the Secretary. It represents the interests of private school officials, K-12 students, teachers, and parents in the policies, priorities, programs, initiatives, communications, and dissemination activities of the Department.

To accomplish its mission, OPRE performs ombudsman, advocacy, and liaison roles on behalf of private education within the Department, among other federal agencies, and with state governments, associations, and various other groups concerned with private schools.

More specifically, the Office works directly with private and public school leaders for the improvement of education. It focuses on achieving private school involvement in the areas of research, data acquisition and reporting, policymaking, legislative actions, and federal program implementation and monitoring. The basic endeavor is to concentrate on establishing and maintaining improved communications and working relations between public and private education.

Participation In Federal Programs and Policies

The Department administers federal education programs which benefit public and private school students. Many programs specifically mandate that private school students and teachers be given an opportunity to participate on an equitable basis in services and benefits received by public school students and teachers.

Interventions on Behalf of Private Schools (1983-84)

OPRE worked with other ED offices as well as the public and private school communities regarding participation in programs, development of regulations, and other various projects. The following areas were the most important:

1. Education of the Handicapped Act (EHA) Programs

Private school leaders continued to be concerned about the lack of participation in EHA programs. In one instance, OPRE worked with the Office of Special Education and Rehabilitative Services (OSERS) to secure special education services for private school students attending Catholic and other private schools in Mississippi, New Jersey, Nebraska, Wisconsin, Missouri, and Virginia. OSERS was requested to review a report of inequitable participation. A platform was provided for OSERS' Assistant Secretary to discuss the policies and procedures of OSERS with public and private school leaders. OPRE has been working with the Louisiana Catholic Conference on a plan for third-providers of handicapped services, and was active in helping to design the language and regulations for the EHA bypass which became law this past year.

2. Chapter 2, Education Consolidation and Improvement Act (ECIA)

OPRE worked with the Milwaukee local education agency (LEA) and private school officials on a problem of limited services caused by Wisconsin law. In addition, OPRE reported on progress made in Chapter 2 services in California; held discussions on program matters in New Jersey, Rhode Island, and Maryland; and participated in a national conference of Chapter 2 coordinators in New Orleans on the evaluation of Chapter 2 programs. Currently OPRE is engaged in ED's planning for the 1984-85 program.

3. Chapter 1, ECIA

Work continued creating vouchers to provide Chapter 1 compensatory education services. Information and advice on Chapter 1 programs were provided in consultation with the ED staff. OPRE participated in the annual meetings covering Chapter 1 programs of the National Association of State and Federal Administrators of Chapter 1 and the Michigan affiliate. Staff provided specific assistance to the Rhode Island State Education Agency (SEA) on the nature of counseling required for private school parents and teachers.

4. Bilingual Education

OPRE worked with the California Catholic Conference and the ED program staff on a private school participation problem involving bilingual education services to private school students in San Ysidro, California.

5. Family Contribution-Student Financial Aid

Private school leaders were very concerned about the tuition limit imposed by Uniform Methodologies for family contribution in student financial aid determinations. ED handled this matter at the highest levels. The Secretary and the Assistant Secretary for Postsecondary Education, and various key staff met with the CAPE Board of Directors, especially the National Association of Independent Schools and the U.S. Catholic Conference, and with Beth Medrasha Govoka and Agudath Israel. OPRE was deeply involved in preparing papers, giving briefings, and arranging meetings, and continued to work toward a satisfactory resolution of this problem.

6. ED Regulations

OPRE reviewed, commented upon, and made recommendations on Departmental regulations affecting private education.

7. School Finance Project

The Office thoroughly reviewed drafts of the report on this project and suggested changes in statements which were not accurate or reflected personal bias against private schools.

8. Civil Rights

OPRE worked with the Office of General Counsel (OGC) on a position paper in response to questions raised by the Florida SEA on requirements of civil rights laws for private schools. It continued to work with the Office for Civil Rights on that Office's annual operational plan.

9. National School Lunch Program

Congress by law limited participation of private school students in the Department of Agriculture's (DA) school lunch program to schools with less than a $1,500 tuition charge. OPRE staff met frequently with DA officials in an attempt to help get relief because the new law does not provide for equitable participation (public schools have no similar restriction). Further, the law does not account for financial aid given by private schools to low income and minority children. OPRE was also successful in obtaining agreement from DA to retain regional offices to service private schools in 11 states where direct DA assistance was needed. OPRE made special appeals to high-level DA and Office of Management and Budget officials on the tuition cap.

10. Social Security Amendments

Several private school groups vigorously protested the new Social Security amendments requiring coverage for employees of nonprofit entities. OPRE facilitated several meetings with the principals: the CAPE Directors, the National Christian Coalition, the Moral Majority, and many others including key staff from the Internal Revenue Service (IRS) and Social Security. OPRE participated in a meeting with IRS Commissioner Egger.

11. Immigration & Naturalization Services (INS)

OPRE was involved in reviewing the INS certification and recertification process for private schools desiring to enroll nonimmigrant alien students. INS will recognize private schools either certified by or with membership in the Council for American Private Education and its associations, the Association of Christian Schools, International, and the American Association of Christian Schools and Colleges.

12. Department of Defense (Recruitment and Pupil Transportation)

Air Force recruitment policy has been modified to accept private school graduates meeting compulsory education requirements where state approval is not mandatory. The Secretary of Education wrote to Defense Secretary Caspar Weinberger about the 1982 policy change which withdrew the authority of base commanders to provide military transportation to private schools for children of military personnel. DOD has reverted to its prior policy and such pupil transportation is now authorized.

Research and Statistics Activities

Planning

OPRE was active, along with the CAPE Board of Directors, in planning the 1983-84 sample survey of private schools by the National Center for Education Statistics (NCES). The survey is the first comprehensive survey by NCES to provide information on private school teacher qualifications, minority enrollments, federal program participation, and other data elements specifically requested by the private school community. The national leaders of the Christian school movement supported this survey.

OPRE Research Activities

OPRE is monitoring a study conducted by the National Association of State Boards of Education to analyze practices in state government/private schools relations in six states. The study is financed by the Secretary's discretionary fund. The purpose is to identify elements present in cooperative relations and to determine how other states might adopt them. OPRE sponsored an Education Commission of the States (ECS) study to review litigation of compulsory education laws, and assisted in the National Institute of Education sponsored study by ECS of state governance and relations with private schools. OPRE worked with ED's Office of Planning, Budget, and Evaluation (OPBE) on its study of services to private school children which was conducted by Advanced Technology. The National Association of State Legislatures is expected to complete its handbook on private education. OPRE reported to the Department of Labor (DOL) what it considered to be inaccuracies about private schools in the study DOL sponsored, "Pathways to the Future."

Educational Initiatives

Koffee Klatch — A Discussion Platform

This was the third year that OPRE hosted information gatherings of national leaders from public and private education, along with special guests, to discuss items of mutual interest or concern. In addition to the national association representatives who participate on a regular basis, there were newcomers to, or more recent participants in, the Koffee Klatch; these included a Mennonite education group; home school advocates; the National Coalition for Public Education and Religious Liberty (PEARL); Neighborhood Enterprise; the Institute for Educational Leadership, and the Council for the Advancement and Support of Education. Of the current issues discussed, the following were generally held on an informal basis although some formal presentations were made: state governance of private schools and, in particular, the Nebraska/Christian school controversy; tuition tax credits; EHA services to private school children; the need for math-science teachers; the school finance study; adult literacy; exemplary schools; standardized tests; academic fitness; public/private school cooperation; and home schools.

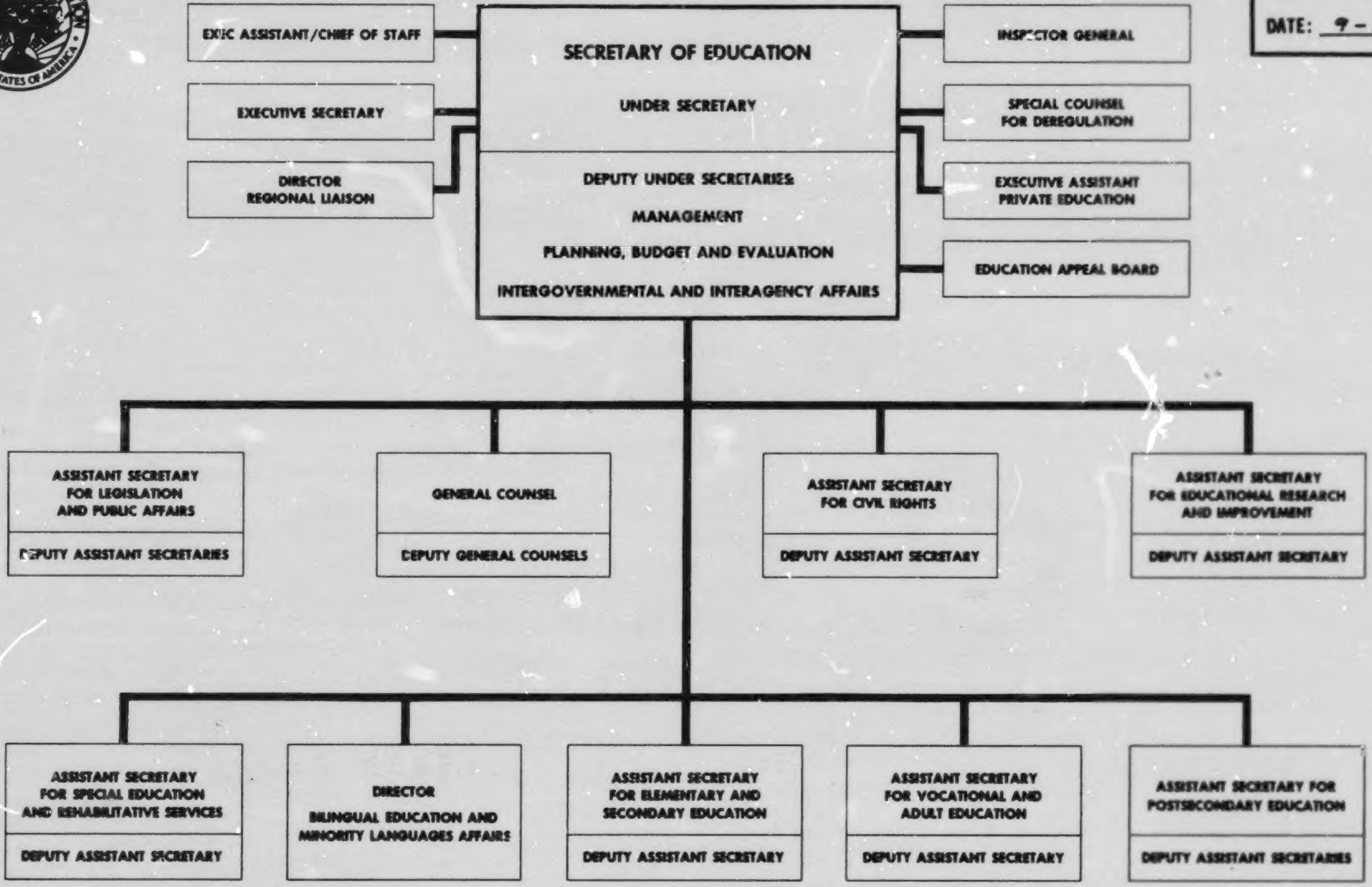
The difficult problem areas such as public control and public aid involving private schools produced constructive discussion and better understanding of the positions of public and private school leaders. There is mutual support for improvement in education. There is specific support by both sectors for initiatives such as exemplary schools and academic fitness, and the OPRE sponsored "Lighthouse" project. OPRE believes that the input of this group is most helpful to ED as it considers programs and policies for the ensuing school year.

Outreach Activities

OPRE carries out its liaison functions for private school constituents and also for a broader base of involvement for more associations, schools, community groups, and individuals interested in the Department's efforts on behalf of private education. The concept here is that a better informed community and a better informed government result in improved communications, understanding, and working relationships between the various elements of our society interested in public and private elementary and secondary education.

DEPARTMENT OF EDUCATION

APPROVED: T. H. BELL
DATE: 9-1-81



SECRETARY OF EDUCATION

UNDER SECRETARY

DEPUTY UNDER SECRETARIES:
MANAGEMENT
PLANNING, BUDGET AND EVALUATION
INTERGOVERNMENTAL AND INTERAGENCY AFFAIRS

EXEC ASSISTANT/CHIEF OF STAFF

EXECUTIVE SECRETARY

DIRECTOR
REGIONAL LIAISON

INSPECTOR GENERAL

SPECIAL COUNSEL
FOR DEREGULATION

EXECUTIVE ASSISTANT
PRIVATE EDUCATION

EDUCATION APPEAL BOARD

ASSISTANT SECRETARY
FOR LEGISLATION
AND PUBLIC AFFAIRS
DEPUTY ASSISTANT SECRETARIES

GENERAL COUNSEL
DEPUTY GENERAL COUNSELS

ASSISTANT SECRETARY
FOR CIVIL RIGHTS
DEPUTY ASSISTANT SECRETARY

ASSISTANT SECRETARY
FOR EDUCATIONAL RESEARCH
AND IMPROVEMENT
DEPUTY ASSISTANT SECRETARY

ASSISTANT SECRETARY
FOR SPECIAL EDUCATION
AND REHABILITATIVE SERVICES
DEPUTY ASSISTANT SECRETARY

DIRECTOR
BILINGUAL EDUCATION AND
MINORITY LANGUAGES AFFAIRS

ASSISTANT SECRETARY
FOR ELEMENTARY AND
SECONDARY EDUCATION
DEPUTY ASSISTANT SECRETARY

ASSISTANT SECRETARY
FOR VOCATIONAL AND
ADULT EDUCATION
DEPUTY ASSISTANT SECRETARY

ASSISTANT SECRETARY FOR
POSTSECONDARY EDUCATION
DEPUTY ASSISTANT SECRETARIES

OFFICE OF THE UNDER SECRETARY

The Under Secretary is the principal policy advisor to the Secretary on all major program and management issues and is responsible for the internal management and daily operations of the Department.

Operations Coordination Staff

This unit analyses and transmits decision and information memoranda relating to policy, legislative, or regulatory matters coming from senior officers that require action by the Secretary and/or the Under Secretary. The Operation Coordination Staff does not make or establish policy.

Issues Analysis Staff

This staff provides the Secretary and the Under Secretary with a diversity of perspectives on current and proposed public and private sector education activities, and identifies emerging trends and concerns with implications for American education. Through policy papers and other means, the staff assists the Secretary and Under Secretary in development of new and modified government programs and policies. It works closely with and, as needed, draws on the staff and expertise of various offices, particularly the Office of Planning, Budget, and Evaluation, and the Office of Educational Research and Improvement. The Issues Analysis Staff does not make or establish policy.

Executive Secretariat

The Executive Secretariat controls, assigns, drafts, and revises, where necessary, all correspondence for the Secretary and the Under Secretary.

The office also tracks and reports on the progress of internal memoranda, externally mandated obligations (regulations, congressional reports, etc.), and Departmentwide assignments. Coordination of all data processing and much of the word processing for the Offices of the Secretary and Under Secretary are the responsibility of this office.

The Executive Secretariat maintains the Secretary's official files and manages the information necessary to brief the Secretary and the Under Secretary as needed for their daily schedules, and to brief the President and the Vice President on educational issues and background as requested.

REGIONAL OFFICES

The mission of the Department's 10 Regional Offices is to help achieve Administration goals within the regions. A Regional Representative of the Secretary directs each Regional Office. Together they comprise the Secretary's Regional Representatives (SRR) organization.

The SRR speaks and acts for the Secretary within the region. In addition, the SRR handles congressional relations and implements intergovernmental, interagency, and public participation initiatives planned by the Office of the Under Secretary. The SRR also provides accurate and timely reports to the Secretary and the Director of Regional Liaison.

Several other functions of the Department are administered at the regional level. Although they share office space and, in some cases, administrative functions, they are under the jurisdiction of the respective program assistant secretaries in Washington, D.C. These functions are detailed in the appropriate office division.

The Federal Real Property Assistance Program

Each Regional Office has a Departmental representative of the Federal Real Property Assistance Program which offers federal surplus real property to state and local governments and to nonprofit public and private schools and colleges.

OFFICE OF THE DEPUTY UNDER SECRETARY FOR MANAGEMENT

The Office of Management (OM) is responsible for the overall direction and administration of the Department's financial management and administrative support functions. OM develops, implements, and provides oversight for policies and procedures relating to personnel administration, human resource allocation, fund control, accounting, financial reports, internal controls, audit resolution, grant and contract administration, property administration, records management, organizational structure, management analysis, information processing services, labor management relations, and equal employment opportunity. The Deputy Under Secretary for Management serves as the principal advisor to the Secretary and Under Secretary on all Department administrative matters.

In FY 1984, OM continued to serve as the Department's focal point for the implementation of Reform '88, a governmentwide program initiated by the President to improve management and administrative systems. The emphasis in FY 1984 was on identifying, developing, and institutionalizing management systems improvements.

The Office of Management is comprised of the Office of the Administrator for Management Services, the Office of the Comptroller, and 10 subordinate operations offices.

Administrator for Management Services

The Administrator for Management Services is responsible for personnel management, administrative resources, management analysis, labor relations, organizational structure, and training.

Administrative Resources Management Service (ARMS)

Space Management

In FY 1984 the Department reduced its office space utilization rate (square feet per person) by 15 percent. This resulted in total savings to the Department of $126,000. Systematic space consolidations enabled the agency to vacate all leased space in one building, saving the Department $73,217 in leasing costs. The 15 percent reduction was slightly less than the initial 18.3 percent goal, but still represents a considerable gain in efficiency. Plans for further space consolidation are now being developed based upon FY 1985 personnel ceilings.

Records Management

The Department continued to reduce the total volume of its records held in storage. In FY 1984 total record-holding space was reduced by 11,726 cubic feet. An automated records disposition procedure is under development; it will make possible early notice to organizations with records due for close-out and storage.

Management Improvement Service (MIS)

Internal controls

In FY 1984, the Department continued to implement the Internal Control Program established in response to the Federal Managers' Financial Integrity Act (FMFIA) of 1982 and the Office of Management and Budget (OMB) Circular A-123. The program is aimed at reducing fraud, waste, and mismanagement in government operations.

Internal control operations during FY 1984 included:

- restructuring the inventory of assessable items;
- conducting the second set of Departmentwide vulnerability assessments;
- performing over 40 in-depth internal control reviews with plans for correcting major deficiencies; and
- developing a computerized system to monitor the correction of deficiencies noted in 1983.

A-76 (Performance of Commercial Activities)

OMB Circular A-76 required agencies to determine whether prospective commercial activities should be performed by agency employees or under contract. In FY 1984 ED compiled two inventories of potential in-house commercial activities; these consisted of 29 functions accounting for a total of 198 FTE's. In March 1984 a Departmental Directive implementing OMB Circular A-76 was issued.

The Department is currently revising its A-76 implementation procedures to emphasize improvements based on assessments of productivity, as outlined in a recent OMB policy memorandum. OMB has recognized ED as a leader in contracting out administrative functions, such as loan collection and student aid application processing.

Controlling Publications and Audiovisual Productions

During FY 1984, requests for 235 publications and 14 audiovisual products were processed. Actions were taken to reduce or cancel 29 of them. This resulted in estimated savings of $141,319.

Suggestion System

To demonstrate the high priority the Secretary has given the suggestion system, the Department adopted a new procedure for processing and reviewing employee suggestions. Suggestions are now submitted directly to the Office of the Secretary, where they are acknowledged and sent to the Office of Management for further evaluation. During FY 1984 employees submitted 59 suggestions. Two employees received cash awards, and several others are candidates for such awards.

Studies

OM conducts management analyses and studies on various topics at the request of senior Department managers. These studies provide information and analyses to assist in decisionmaking. Major studies conducted during FY 1984 included an assessment of a grants decentralization experiment; evaluations of reorganizations within major components of the Department were also conducted.

Personnel Resource Management Service (PRMS)

National Collective Bargaining Agreement

The Department completed a full year under its new national collective bargaining agreement. Major activities included revising practices and procedures to conform to the new agreement, and resolving differences with the union (American Federation of Government Employees) over interpretation and application of agreement provisions.

Horace Mann Learning Center

FY 1984 was a productive year for the Department's Horace Mann Learning Center (HMLC). ED trainers offered more training at a lower per-unit cost than ever before, and the agency conducted more courses tailored to specific unit needs. Good planning and a reliable needs assessment survey reduced discretionary training expenditures to their lowest level, nearly one-half the 1983 amount.

Several competitive Departmentwide training programs are being well received. The Senior Managers Program graduated its first class of enrollees and a second class of 27 was selected. Over 70 employees in grades 1-8 applied for Career Advancement Program openings created by promotions and attrition. The Secretarial Certification Program was improved through participation by experienced clerical staff. The Department also graduated its first four participants in the 2-year Senior Executive Service (SES) Candidate development program.

Technology training related to the use of personal computers has been in much demand. In the last year the agency established a technology training lab featuring 10 personal computer work stations, increased the number of computer courses, and established a weekly session on software applications.

The clearest trend in training during 1984 was the development of tailored training for unit managers. Using the Department's trainers as resource staff, ED developed a wide range of practical courses in topics directly related to improved work performance, including contract monitoring, computer applications in management, debt collection for auditors, program evaluation techniques, performance appraisal, and property management. During FY 1985 OM plans to continue the emphasis on using internal resources to create still better training programs aimed at genuine needs.

Career Intern Program

The Department's Career Intern Program was developed to recruit new entry-level professional staff to replace some of those lost through attrition. A targeted recruiting approach was used to identify colleges and universities and to recruit candidates. Sixty-two candidates were selected to participate in the program for 1984, and all were on board by September 24.

Position Classification Survey

The agency's Position Classification Survey Program identified 2,071 positions for review during FY 1984. Most of the reviews were completed. These position audits, coupled with other, earlier reviews by both ED and the Office of Personnel Management (OPM), will yield a 100 percent survey of positions within the Department over the 2-year period ending September 30, 1985.

Office of the Comptroller

The Office of the Comptroller is responsible for managing the following: grant and procurement administration, financial management systems, information resources and automatic data processing (ADP), the salaries and expenses budget, and credit management improvement initiatives.

Assistance Management and Procurement Service (AMPS)

The Department is further improving its grant and contract scheduling by employing a computer-based management and reporting system for FY 1985 awards. This system was developed using a personal computer to help managers anticipate critical manpower requirements during the procurement process, and to make projections as variables change.

Concurrent with governmentwide implementation of the new Federal Acquisition Regulations (FAR), ED installed an automated system to improve the preparation of procurement documents. This system will enable the agency to administer both standardized and specially tailored contracts more efficiently.

OM continued to delegate to ED component offices some of its administrative authorities. In FY 1984, for instance, OM delegated to other offices the authority to approve small purchases up to $500 per request, an increase over the earlier $150 limit.

The following is reported in accordance with Section 426(b) of the Department of Education Organization Act. In FY 1984, the Department completed 3,542 procurement award actions totaling $163,235,727. These figures include small purchase actions (see Table 1) but do not include interagency agreements, which total $3,104,000. An estimated 3,264 non-federal personnel were employed under contracts. The Department completed 6,230 discretionary grant awards during

FY 1984 totaling $776,243,946. These figures do not include certain FY 1984 funds being held under a Federal District Court Order as a result of litigation between the Department and the Chicago Public Schools. All or a portion of these funds may be awarded during FY 1985, depending on action by the Court.

Table 1
FY 1984 PROCUREMENTS

	Number of Procurements	Cost
ED Contract Actions (less NIE)	651	$131,670,097
Small Purchases (less NIE)	2,792	3,979,661
NIE Contract Actions*	57	27,561,968
NIE Small Purchases	42	24,001
TOTAL	3,542	$163,235,727

*The National Institute of Education (NIE) has a separate contracting authority.

Financial Management Service (FMS)

The Department's Finance Office entered into an interagency agreement with the National Finance Center of the U.S. Department of Agriculture to process ED administrative payments. The National Finance Center is a highly automated payment center which has reduced processing costs for these payments from $12 per document to about $3.

The Finance staff also completed a major initiative to improve the accuracy of internal accounting reports. This project eliminated a large backlog of error transactions and improved the system for detecting errors early. These improvements reduced the error file to less than 500 items from a previous high of 80,000.

In response to Department of Treasury initiatives, ED increased its use of electronic funds transfer (EFT) to make disbursements and collections. During FY 1984, over $7 billion was disbursed by EFT compared to about $2 billion in FY 1983. In addition, over $118 million was collected through electronic transfers, compared to about $5 million the previous year.

Information Resources Management Service (IRMS)

The Information Resources Management Service installed several new ADP systems and enhanced several others as well as monitoring contractor ADP activities. IRMS provided daily support and technical assistance to over 150 computer systems in the agency. FY 1984 saw the conversion to a new host facility ADP system operated by EDS Inc., and the installation of over 500 new pieces of terminal equipment used to access that system. New or enhanced systems were developed for ED offices involved in formula state grant processing, impact aid, student financial aid, and internal management systems such as those used to track the Department's daily influx of correspondence.

Following up on a 1983 award for a mass purchase of word processors, the Department installed 280 work stations and 183 printers. Nearly 800 persons have been trained on this equipment, and all major offices are now linked by an electronic mail network carried over this common word processing system; smaller "E-mail" systems are also used within several individual offices.

Personal computers are also being widely used within the agency now. Nearly 100 microcomputers were acquired in FY 1984 — a 100 percent increase over the prior year. Graphics generated by small computers are now also commonly used in the agency. Over 700 charts and graphs have been produced in the Department's small computer graphics facility alone, and nearly 100 persons have been formally trained to use this equipment. As with personal computers, the demand for computer graphics is strong and ED expects to see more use of such equipment in FY 1985.

IRMS staff provided more technical training for ADP users than in prior years, enabling the agency to train more people at considerably less cost.

The Department also continued to work toward the planned eventual installation of a local area network (LAN). A requirement study and cost-benefit analysis were completed, as well as the work statement for acquisition of the system. ED plans to award the LAN contract in FY 1985.

Credit Management Improvement Staff (CMIS)

Audit Resolution

During FY 1984, the Department achieved 99 percent of its goal to resolve all audits within 180 days of issuance. While the Department had an average monthly workload of approximately 800 open audits, less than one percent of the cases remained unresolved for more than 6 months.

As part of the ongoing effort to strengthen the Department's audit resolution program, an Audit Liaison Officers Forum was established and periodic meetings were held to address Departmentwide audit-related concerns. In addition a wide cross-section of the Department's audit resolution staff participated in a comprehensive training program on OMB Circular A-102.

Reporting Student Loan Delinquencies to Credit Bureaus

Both Congress and the Office of Management and Budget authorize the Department to report delinquent student loan borrowers to credit bureaus. During FY 1984, the Department modified its computer system to enable the automatic transfer of such data to credit bureaus, mailed approximately 550,000 "notices of intent" to delinquent borrowers informing them of the impending referral action, and successfully completed negotiations with the Federal Trade Commission on several legal issues associated with referring individuals to consumer reporting agencies.

The Department signed agreements with four nationwide credit bureaus -- ACB Services, CBI-Equifax, Pinger, and TRW -- and began to refer information on delinquent student loan borrowers during the last quarter of FY 1984. Additional referrals will be made throughout FY 1985.

Computer Match - The Salary Offset Project

The Debt Collection Act of 1982 (P.L. 97-365) authorized the Department to offset the salaries of federal employees who are in default on student loans. The Department conducted a computer match of 10 million federal employee records against its student loan files and identified 46,860 current and retired federal employees who are in default on nearly $68 million.

During FY 1984 the Department published salary offset regulations and provided federal agencies with guidance on implementing salary offset procedures. The Department also mailed approximately 5,000 final "notices of intent" to federal employees in civilian agencies regarding the salary offset. In addition, the

Department mailed final 30-day notice mailgrams to civilian and military Department of Defense (DOD) employees delinquent on 3,987 National Direct Student Loans and approximately 8,000 Federally Insured Student Loans. Federal employees not responding to final notices are having their salaries offset by their employing agencies.

Decline in the National Direct Student Loan (NDSL) Default Rate

As part of its overall effort to reduce student loan default rates, the Department initiated in FY 1984 a project designed to improve communications and strengthen the partnership between federal and state officials responsible for the NDSL program. Periodic reports are now being sent by the Department to each governor, State Auditor, and State Higher Education Official listing postsecondary education institutions in their respective states, their NDSL default rates, and how the default rates compare to the national average.

For the 1981-1982 school year the average national default rate in the NDSL program was 10.5 percent. During the 1982-1983 school year, the most recent period for which data are available, the default rate declined to 9.5 percent.

Discounting College Housing Loans

During FY 1984, the Department implemented a recently enacted authority (P.L. 98-139, Section 308) to discount College Housing Loans. The Department published final regulations in July regarding the conditions under which loan discounts would be considered and processed approximately 350 applications from postsecondary education institutions desiring to participate in the initiative.

The discounts, based on the yield of outstanding marketable obligations of the United States with maturities comparable to the remaining repayment schedule of the housing loans, generated approximately $70 million in additional cash receipts for the Department.

Office of Management Staff Offices

Equal Employment Opportunity (EEO)

The Equal Employment Opportunity staff provided planning and direction for the Department's Affirmative EEO Plan, and administrative recourse to employees and applicants who believe they have been discriminated against because of race, color, religion, national origin, age, handicapping condition, or sex (or have been subjected to sexual harassment). In addition, the EEO office provides investigative services for EEO grievances filed under union-management negotiated procedures.

Each discrimination allegation presented against the Department constitutes potential processing costs of $20,000 to $40,000, according to the General Accounting Office (GAO). As a result of the emphasis placed upon achieving informal adjustments during FY 1983, the number of formally filed complaints decreased significantly in FY 1984. The EEO office plans to improve its productivity and shorten its average case age during FY 1985.

Office of Small and Disadvantaged Business Utilization (OSDBU)

During FY 1984 the Department continued to take steps to increase the involvement of small and disadvantaged firms in its procurement activities. The amount of support provided to these firms as prime contractors under the Section 8(a) was increased to 20 percent of available resources. In addition, special efforts were taken to improve the subcontracting program to expand these opportunities for the firms.

Task Force on Grant Administration Deregulation (TFGAD)

In FY 1984 the Department participated with OMB in a governmentwide effort to revise OMB Circular A-102, which governs grants to state and local governments. The Department's efforts will be reflected in FY 1985 regulations revising the policies set forth in the circular. ED also established procedures to implement OMB's June 1984 lobbying revision of Circular A-122. These procedures will ensure that federal funds are not used for lobbying or political purposes.

OFFICE OF THE DEPUTY UNDER SECRETARY FOR PLANNING, BUDGET, AND EVALUATION

The Office of Planning, Budget and Evaluation (OPBE) is responsible for:

- developing, presenting, and managing the Department's budget;
- assisting in the formulation of the Department's legislative program;
- providing advice on the formulation of Departmental budgetary, legislative, regulatory, and program policies;
- conducting program evaluations;
- directing and conducting analytical studies and special projects;
- conducting long-term Departmental planning.

The Office consists of the Budget Service and the Planning and Evaluation Service.

Budget Service

The Budget Service is responsible for all aspects of the Department's budget process and for providing technical assistance in the development of the Department's legislation, the review of Department regulations, and providing assistance during formation of the Department's program policies.

Budget

During FY 1984, the Budget Service simultaneously managed -- at different stages -- budgets for 3 fiscal years.

- formulating the FY 1986 Department budget in close consultation with the Secretary and other senior officials;
- presenting the FY 1985 budget of $15.5 billion to OMB and the Congress; and
- maintaining a system of controls for the obligation of the $15.4 billion FY 1984 budget resulting from one continuing resolution, two appropriations, and three supplemental appropriation bills.

Legislation

During FY 1984, the Budget Service -- consistent with FY 1985 budget policy -- participated in the development of 10 major items of Department education legislation, as follows:

- Chapter 1 Amendments -- The proposed Amendments would tighten eligibility for the Chapter 1 Migrant Program, increase program flexibility by eliminating the $6 million minimum set-aside for Migrant Education Coordination activities, eliminate the required use of the now obsolete 1975 Survey of Income and Education data in making allocations under Chapter 1 grants to local educational agencies, and substitute 1980 census data on poverty for 1970 census data in allocating Chapter 1 funds.

- Indian Education -- A 1-year extension was sought for the authorization for the Indian Education Act through FY 1985.

- Impact Aid -- Amendments were proposed to target resources on category "a" children and to eliminate funding for category "b" children.

- Vocational Education -- Legislation was developed to consolidate, simplify, and improve federal programs supporting vocational education. The bill increased state and local flexibility in the use of federal funds to provide educational services by reducing the number of categorical activities; decreased administrative burden at the federal, state, and local levels by eliminating complex state planning, evaluation, data collection, and public participation requirements; and focused federal vocational education funds on activities that will contribute to economic development.

- Adult Education -- A separate bill was developed to reauthorize and simplify the Adult Education Act. The bill permitted greater state and local flexibility in the use of federal funds and increased the involvement of the private sector in the delivery of adult education.

- Higher Education -- Extensive amendments were prepared affecting Titles III, IV, VII, and X of the Higher Education Act. Major proposals included: a self-help policy which was central to proposed changes in the $2.8 billion Pell Grant program for students, a modification of the Guaranteed Student Loan Program to extend need analysis to students from families at all income levels, and a restructuring of the Developing Institutions Program -- which is a primary source of aid to Black colleges -- to consolidate and simplify the existing authority and to give a higher priority to obtaining institutional self-sufficiency.

- Rehabilitation Services -- A proposal was prepared to require states to provide client assistance services to handicapped persons who are applicants for or recipients of rehabilitative services, in lieu of providing direct federal support for such services.

- Gallaudet College — An amendment was developed to require Gallaudet College to charge local school districts for the educational expenses of students from those districts who attend Model and Kendall schools. At present, students from local jurisdictions attend both schools at no cost to the local school district.

- Howard University — A proposal was prepared to establish an endowment fund at Howard University. Howard was not eligible to receive funds as a Historically Black College because it received a separate appropriation from the federal government. Consequently, there was a need to establish an endowment authority so that Howard could receive endowment aid as other colleges do.

- American Printing House for the Blind — An amendment was developed to eliminate administrative costs borne by the Printing House and the federal government by terminating the Printing House's $250,000 trust fund and its $10,000 permanent appropriation.

The Budget Service also:

- Worked closely with the Secretary, the Under Secretary, and the Deputy Under Secretary for Planning, Budget, and Evaluation to establish policy guidance and to coordinate the development of legislation in conjunction with the development of budget policy;

- Developed hundreds of pages of legislative policy specifications for the use of the General Counsel's office in drafting Administration bills;

- Coordinated the review of draft legislation within the Department, working with senior officials to resolve policy differences;

- Worked with OMB and senior Department officials in the coordination of OMB-Department policy issues.

In addition, the Budget Service continued to provide technical, analytic, and program policy support for several other Administration education legislative proposals which were already pending in the Congress. These included:

- Tuition Tax Credits;

- the Chapter I Voucher Proposal;

- Education Savings Accounts;

- the Bilingual Education Improvement Act; and

- the Science and Mathematics Teacher Development Act.

The Budget Service also assisted in presenting and defending the Department's legislative program before the Congress. In FY 1984, the Budget Service helped prepare testimony and briefing materials for senior Department witnesses and participated as supporting witnesses in hearings before Congressional authorizing committees on Indian Education, Vocational Education, Adult Education, and Higher Education.

Regulatory Review, Review of Legislative Bill Reports, and Other Efforts to Coordinate Program Policy with Department Budget and Legislative Policy

The Budget Service reviewed approximately 300 regulatory documents in an effort to ensure that program policy implementation is consistent with Department budget and legislative policy. Major regulations reviewed included the Pell Grant Cost of Attendance Regulations for 1984-85, the Guaranteed Student Loan Program Family Contribution Schedule Regulations, Regulations for Chapter 1 Financial Assistance to Local Educational Agencies, and regulations for a number of programs authorized in the Education of the Handicapped Act.

Planning and Evaluation Service

The Planning and Evaluation Service has the lead responsibility in the Department for advising the Secretary on long-term planning, program evaluations and policy analysis.

Program Evaluations

During FY 1984, the Planning and Evaluation Service monitored 25 studies, including major studies on the operations and effects of the block grant program (Chapter 2 of the Education Consolidation and Improvement Act [ECIA] of 1981), an assessment of different instructional strategies in teaching English to students of limited English proficiency, an assessment of criteria used by schools in assigning students to bilingual education programs and in returning students to regular programs, and an evaluation of Indian-controlled schools supported under the Indian Education Act. Major reports released in 1984 included a summary of data from ECIA Chapter 1 State Performance Reports, an assessment of magnet schools in elementary and secondary education, an evaluation of the Part A Indian Education Program in public schools, an evaluation of the Institutional Development Program, one of the Foreign Language and Area Studies Programs, and one of the postsecondary Special Services for Disadvantaged Students Programs.

The Planning and Evaluation Service also manages four Technical Assistance Centers to help state and district staff with the conduct and use of evaluations for their ECIA Chapter 1 projects. The Centers employ nearly 100 staff and tailor their services to the needs and requests of each state. For example, during FY 1983 (the most recent year for which data are available), they served over 45,000 clients through 3,200 workshops, 6,000 telephone consultations, and 3,600 pieces of written communication. Their funding was $5.26 million, about 30 percent less than in previous years.

Analytic Studies and Special Projects

In addition to the conduct of program evaluations and policy analyses, the Planning and Evaluation Service acts as a staff unit to the Secretary for special projects and analyses. Seven major 1984 efforts are described below.

In response to requests from governors and legislative leaders for data on the states' standings in education, the Service prepared the "State Education Statistics Chart" for release by the Secretary of Education to the press and the public on January 5, 1984. Displaying state-by-state performance outcomes, resource inputs, and population characteristics for 1972 and 1982, the chart provoked nationwide debate on national and state education performance. It also gave a new dimension to the continuing national debate on excellence in education which resulted from previous reports, especially the report, entitled A Nation at Risk, of the National Commission on Excellence in Education.

Late in the fiscal year, the Service prepared a special analysis of recent improvements in college-entrance test scores -- information released by the Secretary at a press conference on September 18, 1984. Staff also work closely with the Department's task force led by the Office of the Secretary to develop indicators of status and trends in the Nation's education.

Additionally, OPBE implemented the President's "National Year of Partnerships in Education." One part of the special project was a survey of the Nation's 16,000 school district superintendents to identify voluntary, formal arrangements between private sector entities and schools to improve education quality in a community. The staff also prepared a pamphlet for school principals which describes ways in which the private sector can help improve education quality and a brochure listing model partnership programs across the Nation.

The Planning and Evaluation Service prepared the analysis used by OPBE's Deputy Under Secretary as Chairman of the White House Task Force on Discipline and Classroom Violence. It focused on the need for school discipline in pursuing educational excellence. Those materials included text and tables for the report of the White House Cabinet Council on Disorder in Our Schools.

The Planning and Evaluation Service also played a lead role in developing the program of Presidential Academic Fitness awards, preparing the initial design criteria for the recognition of excellence in student performance. The office assisted in other initiatives of the Secretary to identify excellence in schools, teachers, and administrators. Staff also serve on the Interagency Coordinating Committee to develop a model policy for the protection of human research subjects — distributed by the White House for governmentwide concurrence in September 1984.

Mandated Reports

The Planning and Evaluation Service prepared three Congressionally mandated reports sent by the Secretary to the President and the Congress during FY 1984. The Annual Evaluation Report, required by Section 417 of the General Education Provisions Act (GEPA) contained 85 chapters that offered a concise summary — for each federal education program — of its legislative authority, funding history, FY 1983 goals and objectives, FY 1983 progress and accomplishments, costs, benefits, effectiveness, plans for improvement or legislation, and studies.

The Planning and Evaluation Service sent The Uses of State Administered Federal Education Funds, mandated by Section 406a of GEPA, to the President and Congress in October 1983. It describes how states distribute federal funds to their districts in terms of amounts to districts of different sizes, different funding levels, and other characteristics.

The Bilingual Vocational Training Report is required as a joint submission from the Secretary of Education and the Secretary of Labor. Submitted to the President and Congress on September 13, 1984, it describes operations and accomplishments of ED's bilingual vocational training projects and Labor's CETA/Jobs Training Partnership Act with respect to limited-English speaking adults.

Long-Term Planning

During FY 1984, the Planning and Evaluation Service organized the Department's long-term, or strategic, planning system around three components: education forecasts, special issues analyses, and operating units' planning to meet the Secretary's goals. The components will encompass the preparation of special projects such as the "State Education Statistics Chart" noted above as well as annual planning for the Department's analytic efforts. The components will also link with efforts underway in the Office of Management to improve Departmentwide managerial and staff performance.

OFFICE OF THE DEPUTY UNDER SECRETARY FOR INTERGOVERNMENTAL AND INTERAGENCY AFFAIRS

The Deputy Under Secretary for Intergovernmental and Interagency Affairs (OIIA) provides leadership for the Department by establishing productive relationships with a wide variety of intergovernmental, interagency, and education constituencies affected by the Department's policies and programs. This office operates through two components: the Intergovernmental Affairs Staff and the Interagency Operations Staff.

Intergovernmental Affairs (IGA) is the Department's major link with national, state, and local education organizations and general governance groups. As such, the office represents the Secretary in developing and managing special programs and initiatives relating to Secretarial and Presidential priorities. These programs and initiatives are carried out under the following operating units: (1) Intergovernmental Affairs, (2) Public Participation/Special Concerns, (3) Consumer Affairs, (4) Committee Management, (5) Student Liaison, (6) Presidential Academic Fitness Awards, and (7) Intergovernmental Advisory Council on Education.

Interagency Affairs (IA) is responsible for international and interagency program areas that deal with accountability in government as it relates to the Department's educational mission. To carry out its function, IA utilizes the following operating units: (1) International Affairs,(2) Education Appeal Board, (3) Civil Rights Reviewing Authority, (4) Education for Overseas Dependents, and (5) the Federal Interagency Committee on Education.

Intergovernmental Affairs

Intergovernmental Affairs (IGA) staff is responsible for outreach efforts to disseminate Department policy and receive feedback from a variety of education, governance, civic, and special organizations, with the Director participating in panel discussions, speaking engagements, and media interviews to this end.

During FY 1984, the IGA staff strengthened its liaison with the offices of state governors and education and civic organizations based in the District of Columbia through increased briefings, mailings, and personal contacts.

Special projects carried out by IGA staff included the President's Academic Fitness Awards program, the Secondary School Recognition local ceremonies, and the Child Safety Program. Regular meetings with national parental involvement associations have been established, and staff serves on the Adult Literacy Task Force.

Public Participation and Special Concerns

Public Participation and Special Concerns staff (PP/SC) oversees and supervises activities and programs covering Asian Pacific American Concerns, Black Concerns, Hispanic Concerns, and Women's Concerns. The staff also engages in activities to strengthen and promote the Secretary's Special Initiatives through the Deputy Under Secretary for Intergovernmental and Interagency Affairs. The office maintains ongoing liaison and outreach activities with various educational groups and associations.

Asian Pacific American Concerns

The Asian Pacific American Concerns Office (APAC) serves as the Department's official liaison to Asian Pacific Americans throughout the United States and Territories. During FY 1984 APAC completed the following major activities:

- o Cosponsored the First Pacific Alliance for Education Conference.
- o Represented the Department on the Micronesia Status Negotiations Intergovernmental Task Force and assisted in the preparation of Congressional testimony and reports on the impact of the Compact of Free Association on education in Micronesia.
- o Assisted the Office of Bilingual Education and Minority Languages Affairs on the establishment of a National Asian Multifunctional Bilingual Education Service Center.
- o Provided technical assistance to Asian Pacific American education organizations on grant writing, policy development, evaluation techniques, and management skills.

In addition, APAC has continued to review and analyze ED policy and regulations, to disseminate information, and advise ED senior officials on issues to promote equal educational opportunity and educational excellence.

Black Concerns

The Black Concerns Office (BC) serves the needs of Black American groups, associations, and individuals through the outreach and dissemination of ED materials. The office provides technical assistance, coordination, and participation in Departmentwide program activity in support of Secretarial goals and initiatives.

In FY 1984 the Black Concerns office initiated followup field services through briefings, workshops, and seminar attendance. Technical assistance was given to 33 historically Black Colleges and Universities to increase the participation rate in continuing education by offering credit toward degrees. The office established liaison and participated in the First National Conference on Adult Learners and Predominantly Black Institutions. A significant review was made of the National Center for Educational Statistics survey entitled, "Participation of Black Students in Higher Education" and reprints were disseminated through conferences and selected institutional mailings.

- Black Concerns, in cooperation with the Office of Legislation and Public Affairs, developed an exhibit for "The Minority Consumer Expo '83", sponsored by the Louisville Defender Newspaper.
- Black Concerns devoted time to the Secretary's Adult Literacy Project and facilitated meetings with the Assault on Illiteracy Program (AOIP) leadership to combat the problem of Black American illiteracy. Following a 2-day workshop, Black Concerns provided followup service for short and long range planning purposes.
- Black Concerns organized and conducted two Departmentwide special events for the Martin Luther King, Jr., Birthday Commemoration and Black History Month. In addition, services were rendered to the Department's Holocaust Memorial Program.
- Quarterly mailouts of ED program materials relating to Black American educational interests were disseminated to selected organizations and individuals.

Hispanic Concerns

The Hispanic Concerns Office (HC) serves in an advisory, liaison, policy review, and technical assistance role on matters affecting the achievement of Department priorities and objectives regarding equal educational opportunities and educational excellence for Hispanics.

HC focused on the following activities during FY 1984:

- Participated in three national conferences: National Association of Bilingual Educators, National IMAGE, Inc., and the American G. I. Forum.
- Coordinated a federal governmentwide opening ceremony effort to commemorate National Hispanic Heritage Week and served on a planning committee to coordinate the 1984 Hispanic Leadership Conference held in Washington, D.C.
- Assisted the Office of Bilingual Education and Minority Languages Affairs in the coordination of a seminar held in Phoenix, Arizona, which brought together Hispanic community college presidents, members of the Association of Community Colleges, and representatives from private industry to discuss Hispanics in the work force.

Women's Concerns

The Women's Concerns Office (WC) serves in an advisory, liaison, and technical assistance role to the Department of Education on Women's issues. WC during FY 1984 completed the following activities:

- Prepared and disseminated a collection entitled "Funds Available from the Department of Education in FY 1984" for a White House symposium for women entrepreneurs who want to do business with the government.
- Assisted the Department's Coordinator for Executive Order #A12372 in the dissemination of relevant information. Helped prepare regional forums to consult with regional representatives on the selection of contact points for communicating with ED Headquarters on programs affected by E.O. A12372.
- Worked with the State Department in planning activities for the International Decade of Women's Conference to be held in 1985.
- Provided informational support for ED's participation in planning the International Decade of Women's Conference held in Vienna.
- Helped select nominees for OPM's Women's Executive Leadership Program.
- Participated in numerous briefings, meetings, conferences, seminars, and reports on issues of concern to women.

Consumer Affairs

Consumer Affairs (CA) is responsible for liaison activities with education, parent, citizen, and business organizations interested in education.

During FY 1984, the principal focus of the Consumer Affairs Staff has been the development of regular liaison activities with parent interest group organizations and the establishment of the "Parent Group," a forum of national parent interest organizations located in Washington, D.C. Support activities were provided to the U.S. Office of Consumer Affairs and the President's Special Advisor for Consumer Affairs.

Committee Management

Committee Management Staff (CMS) is responsible for overseeing the establishment, operation, and achievements of the Department's 21 committees whose members are appointed by the President or the Secretary. These committees are one means by which public concern and the expertise of members can contribute to Department policies. CMS coordinates the appointments process, provides guidance on administrative operations, and monitors the committees for compliance with statutes and regulations.

The President appoints the members of 9 committees; the Secretary appoints the members of the remaining 12. During FY 1984, the Secretary made 58 appointments and approved the charters of 2 committees.

The functions and structure of the committees are established by statute or by the Secretary of Education. Advisory committee operations are governed by the Federal Advisory Committee Act, the General Education Provisions Act, and the Department's Committee Management Regulations. Operations of the other committees are governed by various statutes, including the Government in the Sunshine Act.

The Department was responsible for 17 advisory committees and 6 boards and commissions at the beginning of FY 1984. During the year, one advisory committee was terminated. Also, on February 22, 1984, the National Council on the Handicapped became an independent agency within the Executive Branch. (See Appendix for List of Committees.)

Student Liaison

The Student Liaison Officer (SLO) is a college student selected to serve a 6-month term as the Department's representative to postsecondary students.

During FY 1984, the SLO maintained contact with national student organizations and associations on Department activities, mailed a monthly newsletter to postsecondary schools across the Nation, assisted students in obtaining information about Department of Education programs, participated in various programs (including the Presidential Academic Fitness Award Program) and committees, and spoke to student organizations upon request.

The SLO also updated and distributed information on financial aid, Internships in Washington, D.C., and a list of national student organizations. Other government publications were listed in the SLO's monthly newsletter and were provided upon request.

Presidential Academic Fitness Awards

In FY 1984 The Presidential Academic Fitness Awards program (PAFA) was established by the Secretary and run by a task force under the direction of the Deputy Under Secretary for Intergovernmental and Interagency Affairs. The purpose of the program is to recognize students for their academic achievement and motivate more students to work at their full potential.

The initial program was a pilot effort targeted on graduating seniors. Students meeting all program criteria received a lapel pin and a certificate signed by the President and the Secretary of Education. Over 10,000 public and private schools presented awards to more than 229,000 graduating seniors from every State, the District of Columbia, Puerto Rico, Department of Defense Schools, Bureau of Indian Affairs schools, and private schools.

Intergovernmental Advisory Council on Education

The Intergovernmental Advisory Council on Education (IACE), established under Section 213 of the Department of Education Organization Act, provides assistance and makes recommendations to the President and the Secretary regarding the effect federal education policies have on states and local school districts. The Council provides a forum for representatives of federal, state, and local governments, as well as public and private schools and colleges, to discuss education policy, and makes recommendations to improve the administration and operation of federal education and education-related programs.

The IACE met four times during FY 84 — December 6 in Indianapolis, Indiana; February 9-10 in Washington, D.C.; May 18 in Mesa, Arizona; and September 21 in Kalamazoo, Michigan. The Council began a series of public hearings across the country to gather testimony on three topics — educational partnerships, student achievement and discipline, and higher education reauthorization proposals. Hearings have been held in Newark and Trenton, New Jersey, and Kalamazoo, Michigan. A report on the findings of the hearings will be submitted to the President, the Secretary of Education, and the Congress. The Council also released its report, The Intergovernmental Balance in Education, a summary of hearings held in FY 1983.

International Affairs

International Affairs coordinates the Department's participation in international activities with the U.S. Department of State and other federal agencies, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Organization for Economic Cooperation and Development (OECD), the Organization of American States (OAS), and other United Nations organizations and commissions.

During FY 1984, the staff engaged in the following activities:

- Involved with the preparation of the Twenty-fourth Session of the International Bureau of Education (IBE) Council in February 1984 and assisted in planning for the 39th Session of the International Conference on Education and for the 1984 activities of the IBE.

- Conducted briefings and provided policy guidance and position papers on the UNESCO Draft Program and Budget (1984-85) for the U.S. Delegation to the Twenty-second Session of the UNESCO General Conference (Paris, November 1983) and on the UNESCO Draft Program and Budget (1986-89) for the 119th and 120th Sessions of the UNESCO Executive Board.

- Provided briefings and position papers for the U.S. Delegates to the Fourth Session of the UNESCO Intergovernmental Committee on Physical Education and Sport.

- Prepared or contributed to position papers for two meetings of the OECD's Education Committee and for two meetings of the Governing Board of OECD's Center for Educational Research and Innovation (CERI).

- Provided assistance to and diplomatic liaison for ED officials and others participating in other OECD meetings, such as meetings of the Advisory Group for the CERI project on the Education of the Handicapped Adolescent.

- Coordinated or assisted in Department of Education involvement with Ministerial and subministerial level visits to the U.S. by the Ministers of Education from Japan, Korea, Mali, and Paraguay, and Secretaries General from Pakistan and Israel.

- Assisted the U.S. Information Agency in the work of the German American Tricentennial Commission, the US-Mexico Commission on Cultural Exchange, and the UNESCO program on the recognition of studies, diplomas, and degrees.

Education Appeal Board

The Education Appeal Board hears and determines audit appeals arising from designated grant programs, and conducts withholding and termination hearings, cease and desist hearings, and other proceedings as directed by the Secretary.

During FY 1984, the Department established a special task force to assist the Education Appeal Board in disposing of the growing number of appeals before the Board. Additional resources have been brought to bear and heavier commitments of time were made by the appointed members of the Board itself.

End of FY 1984 statistics include the following: appeals currently before the Board, 110; total dollars at issue, $135,483,390; cases decided, 4, involving $4,506,392 initially sought for recovery by the government; cases settled, dismissed, or withdrawn, 20, involving $776,451 initially sought for recovery.

Civil Rights Reviewing Authority

The Civil Rights Reviewing Authority is the Department's appellate forum for administrative litigation involving the enforcement of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, and Section 504 of the Rehabilitation Act of 1973. In addition, the Authority coordinates the hearings conducted under these statutes.

During FY 1984, 23 cases initiated by the Assistant Secretary for Civil Rights were assigned to federal administrative law judges, whose decisions are subject to appeal to the Authority. With the appointment of six members to the Authority in the past year, its pending docket has been reduced from seven cases to one.

Education for Overseas Dependents

The Administrator of the Office of Education for Overseas Dependents advises the Secretary on departmental matters related to the education of minor dependents of the Department of Defense military and civilian personnel stationed overseas. He is by statute co-chair of the Advisory Council on Dependents' Education, which is the responsibility of the Department of Education. His office provides staff services in support of the Council in carrying out the congressional intent to increase the participation of local school communities in the administration and operation of the overseas schools. The office is also responsible for all matters concerning the legislated transfer of the overseas dependents schools from the jurisdiction of the Department of Defense to the Department of Education in May 1986.

In FY 1984, the office arranged three meetings of the Advisory Council, two in Washington, D.C., and one in West Germany, where half of the members of the Advisory Council are serving in the Department of Defense Schools. Also, the office undertook for the Deputy Under Secretary the special project of preparing *Progress of Education in the United States of America: 1980-81 through 1982-83*, the U.S. report for the international conference of the International Bureau of Education in October 1984.

Federal Interagency Committee on Education

The Federal Interagency Committee on Education (FICE) is a committee of senior policymaking officials representing 13 federal departments and agencies appointed by the President and chaired by the Secretary of Education. FICE assists the Secretary by providing a mechanism to assure that the procedures and actions of the Department and other federal departments and agencies affecting education are fully coordinated.

During FY 1984, following President Reagan's announcement of the Department's Adult Literacy Initiative, FICE lent its support by helping to implement the Federal Employee Literacy Training (FELT) program. The FELT program provides a cadre of federal employee literacy volunteers; locates space for literacy tutoring; and provides help and advice to public and private literacy organizations seeking financial assistance from the various federal agencies. FICE also initiated a study to establish an inventory and costs of federal programs in selected areas.

Executive Order 12372

Executive Order 12372, Intergovernmental Review of Federal Programs, allows state and local governments a fuller partnership with federal agencies. States may establish a state process for review of proposed federal financial assistance programs. Federal agencies are required to accommodate state review process recommendations, or explain in writing why such recommendations cannot be accommodated.

The Deputy Under Secretary for Intergovernmental and Interagency Affairs represented the Department on all external contacts regarding Executive Order 12372 during FY 1984, its first year of operation. Staff maintained contacts with the states, other federal agencies, the Office of Management and Budget, and applicants requesting information and clarification about the operation of the Order. The first report to the President on the operation of the Order was also in preparation during FY 1984.

OMB Circular A-119

OMB Circular A-119 provides policy and administrative guidance to federal agencies on using voluntary standards for procurement and regulatory purposes, on participating with private sector organizations to develop such standards, and on coordinating executive branch participation in the development of voluntary standards.

During FY 1984, the Deputy Under Secretary examined the Circular's applicability to the Department and obtained the Secretary's approval to implement A-119 within the Department. Staff established contacts with the Department of Commerce's National Bureau of Standards (NBS) as the governmentwide coordinating agency for A-119 implementation and secured their guidance and direction on Department implementation plans.

OFFICE OF INSPECTOR GENERAL

The Inspector General's responsibilities are derived from the Inspector General Act of 1978. These responsibilities involve: (1) conducting and supervising audits and investigations relating to programs and operations of the Department; (2) providing leadership, coordination, and policy recommendations intended to promote economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud and abuse in, Department programs and operations; (3) keeping the Secretary and the Congress fully and currently informed about problems and deficiencies in Department activities, and the need for and progress of actions to correct such deficiencies; and (4) reviewing proposed and existing legislation and regulations to protect and enhance the integrity and effectiveness of the Department's programs and operations.

Audit Activities

The Office of Inspector General (OIG) issued or processed a total of 2,991 reports on ED operations, grantees, and contractors in FY 1984. These reports recommended disallowance of costs totaling $26.6 million and questioned additional costs of $54.2 million.

In audit reports resolved during FY 1984, program managers sustained $54.3 million in costs recommended for disallowance or questioned. Costs recovered on closed audits totaled $7.4 million. Concerted efforts on the part of the Secretary, program officials, and the OIG have enabled the Department to successfully resolve all but 11 audits more than 6 months old. This is a significant accomplishment in view of the fact that the number of old audits as of September 30, 1981, totaled 1,804, involving questioned or disallowed costs of $17.4 million.

Investigation Activities

During FY 1984, OIG initiated 664 investigations and completed 435. A total of 321 cases was referred to U.S. Attorneys, and 216 were accepted for prosecution. OIG referrals this year, combined with prior referrals, resulted in 223 indictments and 124 convictions in FY 1984.

The OIG, in cooperation with the Immigration and Naturalization Service and the Criminal Division of the Department of Justice, continued to identify, investigate, and prosecute aliens who fraudulently receive student aid. Since the initiation of this project, OIG has had a total of 333 indictments and 201 convictions returned against aliens. These individuals had fraudulently obtained $1.4 million in student financial aid, more than half of which came from the Guaranteed Student Loan Program.

Prevention Activities

The OIG continued to participate in a number of interagency projects and committees initiated by the President's Council on Integrity and Efficiency (PCIE), which was established to coordinate a governmentwide attack on fraud, waste, and mismanagement. During FY 1984, the Inspector General was named to head PCIE's new Single Audit Committee as well as its new Accounting and Auditing Standards Committee. In addition, he served as co-chair of the A-102 P Evaluation Project Group, which completed its assessment of implementation of the "single audit" concept and presented its report to the PCIE during the fiscal year.

In June 1984, OIG issued the first Inspector General Spotlight, a pamphlet summarizing OIG's eighth Semi-Annual Report to Congress. The Spotlight, designed to better acquaint ED employees with the purposes, activities, and accomplishments of the Office of Inspector General, will be issued in conjunction with each succeeding report.

Two management implication reports were issued during FY 1984. One report disclosed numerous instances of non-U.S. citizens receiving government loans to attend schools outside the United States; the other cited a lack of effective coordination in one ED office's eligibility and certification processes, which had allowed an institution to receive over $900,000 in federal student aid funds to which it was not entitled. Both reports made appropriate recommendations for corrective actions, which were subsequently agreed to by the responsible ED offices.

Controlling Waste and Fraud

During the fiscal year, OIG obtained microcomputers for its headquarters and regional offices. This new capability has significantly enhanced OIG's audit and investigative efforts, enabling staff to assimilate and analyze complex information with markedly greater flexibility and with the expenditure of substantially fewer staff hours.

FY 1985 Goals and Objectives

OIG will continue to place increasing emphasis on prevention of fraud, waste, and abuse through coordination of audit and investigative efforts, expansion of fraud awareness activities, intensified review of legislation and regulations, and close cooperation with other ED offices and other federal agencies.

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

The Office of Elementary and Secondary Education (OESE), which in FY 1984 administered 25 separate programs with a budget of $4.5 billion, is one of the Department's largest and most diverse units.

OESE provided financial assistance to state and local education agencies (SEAs and LEAs) to help maintain and improve preschool, elementary, and secondary education. These programs are designed to promote equal educational opportunities and educational excellence in this Nation's public and private schools.

Programs administered by OESE serve the needs of special populations, recognizing special needs of such groups as the educationally disadvantaged, the children of migrant workers, and Indian children. The enhancement of quality programs and overall educational improvement for all students are also initiatives addressed by OESE programs. In addition, OESE assists communities that have been impacted by federal activity or natural disasters.

Compensatory Education Programs Serve the Disadvantaged

Chapter 1, Education Consolidation and Improvement Act of 1981

Local Education Agencies

OESE awarded grants for $3.0 billion to local education agencies in FY 1984 and provided services to approximately 4.9 million educationally disadvantaged children. Approximately 7 percent of these children were in preschool and kindergarten, 69 percent in grades 1-6, and 24 percent in grades 7-12.

Neglected and Delinquent Children

Approximately $33 million was awarded to the state education agencies responsible for providing education for neglected or delinquent children in state-operated or supported schools. Approximately 49,000 children in over 600 institutions received compensatory education services.

Migrant Children

In FY 1984, grants for almost $249 million were distributed to 49 states, the District of Columbia, and Puerto Rico for the Chapter 1 Migrant Program. Services were provided to about 459,000 full-time equivalent migratory children. In addition, $5 million was used to support the Migrant Student Record Transfer System (MSRTS). Eleven states received 16 grants, totaling $2.1 million for the Interstate/Intrastate Coordination Program which assists state education agencies in establishing or improving projects to meet the special educational needs of migrant children.

Funds were also awarded for the two migrant education programs authorized under Title IV-A of the Higher Education Act: $6.3 million for the High School Equivalency Program (HEP), and $1.95 million for the College Assistance Migrant Program (CAMP). HEP served about 2,780 students through 20 grantees, and CAMP awards went to ten grantees for services to approximately 710 students.

State Administration

In FY 1984, grants totaling $34.4 million were awarded to the state education agencies of the 50 states, the District of Columbia, Puerto Rico, and the outlying areas to administer the Chapter 1 programs.

Follow Through

A total of $14,767,000 was appropriated for this program in FY 1984 (1934-85 school year) to provide instructional and related services to students, assist sponsoring institutions in implementing innovative approaches to early childhood education, and support demonstration and dissemination efforts through cooperating resource centers. Currently, the program serves approximately 22,000 children at about $671 per child. In FY 1984, the program committed funds for 68 projects at 60 LEAs in the amount of $12,460,699, 15 sponsors in the amount of $1,244,187, and 19 resource centers in the amount of $1,062,114.

Full grants for the 1984-85 school year have not been awarded because of litigation between the Department and the Board of Education of the city of Chicago. The program received $2.4 million of the FY 1984 appropriation and $10 million of the FY 1985 appropriation to continue support of the 1984 Follow Through activities. The remaining $2.4 million for FY 1984 projects will be released if and when we have a favorable court action.

Indian Education

The Indian Education Act of 1972 addresses the special educational and culturally related academic needs of Indian children and adults. The Act:

- supports supplementary educational services;
- promotes quality services through program models, curriculum materials, and teacher training;
- improves educational opportunities for Indian adults; and
- promotes self-determination by helping Indian citizens shape and control their own educational programs.

Part A of the Act is the largest component of the Indian Education Programs (IEP). OESE provided over $46 million for the formula grant program, making awards to 1,061 local school districts and 51 tribal schools that served an estimated 320,000 Indian students. An additional $4.5 million addressed the needs of some 5,000 students in 26 Indian-controlled schools.

Part B of the Indian Education Act allows Indian tribes and organizations to target funds where the need is greatest. It also encourages the development of innovative teaching methods and materials that will benefit potentially large numbers of Indian children and increase the number of Indians in the professions. For this program, OESE provided $12 million. OESE made 56 awards for planning, pilot, and demonstration projects, services to Indian students, and educational personnel training to serve almost 10,000 students. Fellowship awards went to 227 graduate and undergraduate Indian students who were working toward selected professional degrees. OESE also awarded contracts to five regional resource and evaluation centers to assist local education agencies and other IEP grantees in needs assessment, program design, and program evaluation.

Part C addresses the educational needs of Indian adults by increasing access to basic and secondary education and uses Indian culture to improve the quality of the programs. For this, OESE provided $4.9 million. Forty-seven awards were made for planning, pilot, and demonstration and service projects for approximately 12,000 participating adults.

Special Programs

Block Grants for Improving School Programs

To give state and local education agencies more flexibility in using federal funds, the Administration proposed and the Congress enacted Public Law 97-35—the Education Consolidation and Improvement Act (ECIA) of 1981.

Chapter 2 of the ECIA consolidated 28 funded elementary and secondary programs into a single block grant to the states and targeted assistance for three general purposes:

- o Basic skills improvement
- o Educational improvement and support services
- o Special projects

State education agencies administer the block grant. Funds are allotted according to school-age population. SEAs are permitted to retain up to 20 percent of their allotment for their own use and must distribute at least 80 percent to local education agencies. This distribution is based on relative total public and nonpublic enrollments within LEAs, adjusted to provide higher per pupil allocations to those LEAs having the greatest number and percentages of children whose education costs are higher than average.

In FY 1984, a total of $450,655,000 was distributed to 50 states, Puerto Rico, the District of Columbia, and the five outlying areas. Children attending private, nonprofit schools in Missouri and Nebraska received services through cooperative agreements because the states' constitutions prohibit SEAs and LEAs from providing services to these children.

Most frequently, states use economic need as a criterion for identifying children whose education imposes a higher than average cost. Included in this category are students who qualify for Chapter 1 benefits, students from families receiving aid to families with dependent children (AFDC) or free or reduced price lunches, and other disadvantaged students in local school districts.

States may use their reserved funds to administer the program, strengthen management capability, and provide direct services to LEAs. Included in the latter is support of curriculum specialists in various disciplines.

Secretary's Discretionary Fund

The Secretary's Discretionary Fund, authorized by Subchapter D of Chapter 2, supports four OESE programs:

Inexpensive Book Distribution Program. — In FY 1984, $6,500,000 was appropriated for this program. Because of the litigation in United States of America v. Board of Education of the City of Chicago, $650,000 of the 1984 appropriation was not allocated. Fiscal year 1985 funds were used to make up the shortfall. The Department renewed its contract with Reading Is Fundamental, Inc., to continue a nationwide program that gives books to disadvantaged children and encourages them to read. The funds paid for 7 million books, which were distributed to 2.2 million children in all 50 states. The program received help — volunteers and money — from the private sector, with more than 100,000 volunteers participating.

Arts in Education. — This program stimulates the integration of arts into the education system by bringing together school and community art resources. In FY 1984, $2,125,000 was appropriated for this program. Because of the litigation in United States of America v. Board of Education of the City of Chicago, $100,000 of the 1984 appropriation was not allocated. Fiscal year 1985 funds were used to make up the shortfall. Both the National Committee, Arts for the Handicapped, and the John F. Kennedy Center for the Performing Arts received awards.

Alcohol and Drug Abuse Education Program. — This program's regional Training and Resource (T&R) Centers assisted local school districts in developing intensive 1-week residential training programs and followup technical assistance for interdisciplinary teams from 131 secondary schools. In addition, 500 school teams received field training and technical assistance.

With $2.85 million in FY 1984, more than 760,000 young people and 8,400 educational personnel participated in training in alcohol and drug abuse prevention and problems such as truancy, school violence, dropouts, and runaways. Five regional T&R centers and a program support project make up the national training system. This program was included in the President's Federal Strategy for Prevention of Drug Abuse and Drug Trafficking in FY 1984.

Law-Related Education. — The Law-Related Education Program is designed to provide persons with knowledge and skills pertaining to the law, the legal process, the legal system, and the fundamental principles and values on which these are based. The purpose of the program is to enable children, youth, and adults to become better informed citizens.

In FY 1984, the Secretary gave priority to projects that would support the institutionalization of model programs in elementary and secondary school classrooms. Project activities included: teacher training, curriculum development, dissemination of materials, seminars, mock trials, demonstration centers, alternative programs to help solve juvenile behavior problems, and a broad spectrum of related skill development activities for grades K-12.

In FY 1984, $820,000 was used to fund 11 projects. These included one nationwide project that works with 17 states; 9 statewide consortium projects, and one system-wide program. The remaining $185,000 was used to support the development of a film on the Supreme Court. Because of the litigation in United States of America v. Board of Education of the City of Chicago, 1985 funds were used to support the FY 1984 activities.

Educational Support Programs

Impact Aid

The Impact Aid Program assisted local education agencies serving 336,000 category "a" children who resided on and whose parents worked on federal property or were in the uniformed services, and 1,680,000 category "b" children who resided on or whose parents worked on federal property or were in the uniformed services. In FY 1984, $535 million was distributed directly to local education agencies for the education of these children. The Department published interim final regulations governing the determination of local contribution rates for Public Law 81-874.

During FY 1984, Impact Aid funds also assisted 79 school districts in 15 states in restoring disaster-damaged facilities. In addition, 19 projects provided emergency repairs for federally-owned school buildings. Funds were also obligated for one new, and increased for three ongoing, school construction projects. Funds were granted for three new school construction projects for children who reside on Indian lands.

Ellender Fellowships and General Assistance to the Virgin Islands

Two other education support programs, Ellender Fellowships with an appropriation of $1.5 million and General Assistance to the Virgin Islands with an appropriation of $1.92 million, provided support for special populations. Because of the litigation in United States of America v. Board of Education of the City of Chicago, FY 1985 funds were used to support FY 1984 activities for General Assistance to the Virgin Islands.

Equal Education Opportunity Programs

Title IV, Civil Rights Act of 1964

Title IV of the Civil Rights Act of 1964 provides, upon request, training and technical assistance to local school districts. The purpose of this assistance is to help school districts meet any problems related to discrimination and desegregation on the basis of race, sex, and national origin.

The Department of Education makes this assistance available through grants to state education agencies and regional Desegregation Assistance Centers. State education agencies are expected to take a leadership role in assisting the school districts in their state with desegregation problems while Desegregation Assistance Centers supplement and support state efforts.

In FY 1984, $24 million was appropriated for this program. Funds were committed to 106 state education agencies in the amount of $14 million and to 40 Desegregation Assistance Centers in the amount of $10 million. All but $3,053,000 of the 1984 funds were frozen because of litigation between the Department of Education and the Board of Education of the city of Chicago. The program received $3,053,000 of the 1984 appropriation and $20,948,000 of the FY 1985 appropriation to continue the support of these activities.

Women's Educational Equity Act Program

The Women's Educational Equity Act Program (WEEA) is authorized to award grants and contracts to nonprofit institutions, agencies, organizations, and individuals to develop model projects and conduct other authorized activities for the purpose of promoting equity at all levels of education for women and girls. In annually selected areas of program priority, two types of grants were awarded: general grants for development of projects of national or statewide significance and small grants (not to exceed $25,000) for support of innovative approaches to the achievement of educational equity. The FY 1984 appropriation for the WEEA Program was $5.76 million.

In FY 1984, 511 applications for small and general grants were received. A total of 61 projects were selected for support, including 13 continuation grants. Funds committed included $3,335,524 for 36 general applications; $277,026 for 12 small grants; and $1,525,113 for 13 general continuation grants. In addition, $595,820 was committed for a contract to operate the WEEA Publishing Center.

Because the FY 1984 funds for this program have been impounded by the Federal District Court in United States of America v. Board of Education of the City of Chicago, 1985 funds were used to support the FY 1984 activities.

Evaluation

In FY 1984, an amount of $4.7 million was appropriated for evaluation and studies, including funds for the Technical Assistance Centers. These funds are administered by the Office of Planning, Budget, and Evaluation (OPBE).

Conclusion

Plans for FY 1985 include the implementation of two new programs in the Office of Elementary and Secondary Education. The first is a program to assist states to improve the skills of teachers and instruction in mathematics, science, foreign languages, and computer learning, and the second will provide financial assistance to local education agencies for establishing and operating magnet schools.

In addition, OESE will continue its efforts to identify cost-effective, exemplary compensatory education approaches and to disseminate information about them.

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

The Office of Special Education and Rehabilitative Services (OSERS) assists in the education of handicapped children and the rehabilitation of disabled youth and adults. OSERS also conducts research to improve the lives of handicapped individuals regardless of their age. For FY 1984, OSERS established the following goals:

- o the improvement of services to handicapped youth who are making the transition from school to work;
- o the expansion of knowledge regarding services provided and intervention outcomes for handicapped newborns and infants; and
- o an increase in the services to handicapped youth and adults within the community.

The Assistant Secretary's immediate office was reorganized into three major units: Office of External Affairs, Office of Policy and Planning, and Management Support Staff. This organization (1) provides better visibility to each functional area of responsibility, (2) improves overall management and control, and (3) streamlines the organization by the transfer of functions and elimination of duplicative functions.

THE OFFICE OF EXTERNAL AFFAIRS

The Director of the Office reports directly to the Assistant Secretary. External Affairs is responsible for activities relating to interagency/intergovernmental cooperation, community outreach/consumer affairs, special initiatives, and information and resource dissemination through its Clearinghouse on the Handicapped. Staff members perform the following functions:

Community Outreach/Consumer Affairs

- o Provides leadership and consultation to private consumer and parent organizations and convenes meetings between professionals in these organizations and representatives from OSERS program offices.
- o Works to expand and improve relationships and agreements between OSERS and consumer and voluntary organizations.

Interagency/Intergovernmental Cooperation

- o Develops and negotiates interagency policy changes and agreements which improve opportunities for disabled constituents, or which facilitate community-based delivery of services to disabled individuals.

Special Initiatives

- Identifies special initiatives of particular program relevance at the request of the Assistant Secretary and coordinates implementation of these initiatives with OSERS program offices.

The Office of Information and Resources for the Handicapped

The Office of Information and Resources for the Handicapped is housed in External Affairs. OIRH administers grants to institutions for the training of interpreters for deaf individuals, and administers information and dissemination services which are provided through its national Clearinghouse on the Handicapped to a variety of constituents, including Congressional officials, researchers, and disabled persons and their families.

During FY 1984, OIRH funded noncompeting continuation grants for training interpreters for deaf persons, and for upgrading the skills of interpreters who are already trained.

Through the Clearinghouse on the Handicapped, External Affairs is able to provide information and data regarding:

- the location, provision, and availability of services and programs for handicapped individuals;
- research and recent medical and scientific developments bearing on handicapping conditions;
- current statistical figures on the numbers of handicapped individuals and their needs;
- development and maintenance of a coordinated system of information and data retrieval.

THE OFFICE OF POLICY AND PLANNING

The Office of Policy and Planning develops and analyzes policies, regulations, and legislation for the Assistant Secretary; develops a planning calendar to coordinate budget and evaluation inputs; analyzes need for regulations and proposed regulations. It provides input to the ED legislation process and attends hearings and mark-ups of Congress to keep OSERS informed of policy issues and legislation on handicapped/disability issues.

The Office also establishes and monitors the annual schedule of grant and contract activities of OSERS, and conducts reviews of grants and contracts prior to award.

MANAGEMENT SUPPORT STAFF

The Management Support Staff provides general managerial and administrative support to all components within the Office of Special Education and Rehabilitative Services. Two major accomplishments for FY 1984 were the installation and implementation of an OSERS-wide word and data processing system and the reorganization of the Assistant Secretary's office.

The long-term goal within OSERS is to automate all significant and appropriate administrative, management, and programmatic functions. Benefits of automation have already been demonstrated through increased productivity for clerical staff.

REHABILITATION SERVICES ADMINISTRATION

The Rehabilitation Services Administration (RSA) oversees programs to assist physically or mentally handicapped individuals to obtain employment through counseling, medical and psychological services, job training, and other individualized services. RSA also administers training grant programs to prepare professional staff to work in the field of rehabilitation; direct service grant programs to enrich the lives of handicapped individuals and enable them to develop increased opportunities for employment; and programs to enable severely handicapped persons to live more independently in the family and community.

Program Highlights

The Basic State Grant Program gives grants to state vocational rehabilitation (VR) agencies to support vocational rehabilitation services for handicapped persons, giving priority to severely handicapped persons. RSA provided $1,037,800,000 to the states in FY 1984. (This figure includes both the first and second Supplemental Appropriations).

In FY 1984, approximately 940,000 persons were served by the state vocational rehabilitation agencies. Of these persons, 225,000 were successfully rehabilitated.

Client Assistance Projects provide ombudsmen who work directly with clients and state vocational rehabilitation officials. The 1984 amendments to the Rehabilitation Act changed the Client Assistance Program from a discretionary to a formula grant program. Grants were made to 57 states and territories. Agencies designated by governors will provide information and assistance to persons receiving or seeking services under the Act, including the pursuit of administrative or legal remedies. Total funding was $6 million.

The Helen Keller National Center for Deaf Blind Youths and Adults provides specialized services, training, research, and public education to rehabilitate persons who are both deaf and blind. In FY 1984, the Center was funded at $4 million and served more than 900 blind persons nationwide, significantly expanding training programs for deaf-blind persons.

The Rehabilitation Services Administration supports the following discretionary grant programs:

- The Special Projects and Demonstrations Program expands and improves rehabilitation services for severely disabled individuals. In FY 1984, 25 projects were continued at a cost of $2,932,000; 23 new projects totaling $2,623,000 were initiated. The categories of disability addressed by these projects included the following: arthritis, blindness, cerebral palsy, deafness, deaf/blind, learning disabled, mental illness, mental retardation, multiple sclerosis, and multiple disabilities. Funding priorities were established in FY 1984 for new projects in the areas of Advanced Technology, Community-Based programs, and transition from school or institution to work.

- Migratory Worker Projects support state rehabilitation agencies in the provision of vocational rehabilitation services to handicapped migratory and seasonal farm workers. Due to the high mobility of the client population, service delivery cannot always be provided in the traditional manner, and nontraditional methods have been developed and demonstrated by this program. In FY 1984, approximately 2,000 people were served by 11 projects funded at $950,000.

- Service Grants to Indian Tribes help tribes develop the capacity to meet rehabilitation needs of disabled Indians. In FY 1984, a $715,000 grant was made to the Navajo Tribe to support a vocational rehabilitation service program for disabled persons living on the Navajo Reservation.

- Recreational Services Grants support direct recreational service programs for handicapped persons to aid them in the areas of mobility and socialization. In FY 1984, 27 projects were funded for a total of $2 million.

- The Projects With Industry program provides handicapped persons with training and experience in realistic work settings for placement in competitive employment. The FY 1984 appropriation of $13 million provided funding for the continuation of the 98 projects currently involved in the program. No new projects were funded during FY 1984.

- The Centers for Independent Living program provides a combination of services which enable severely disabled persons to live more independently within the family and community and, when appropriate, to seek and maintain employment. The FY 1984 appropriation of $19.4

million was used for the mandated combination of existing grants. These grants supported in whole or in part 156 Centers for Independent Living nationwide. The Centers serve an estimated 26,000 persons annually.

- Rehabilitation Training Grants are designed to increase the number of skilled professionals available to provide vocational rehabilitation services to severely handicapped people. In FY 1984, $22 million supported 355 projects to train, among others, medical specialists, mobility instructors for blind persons, rehabilitation counselors, facility administrators, vocational evaluators, interpreters for deaf persons, and job development and placement specialists. Overall, the program trained over 6,450 professionals in FY 1984.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

The National Institute of Handicapped Research (NIHR) provides leadership and support for a comprehensive and coordinated national and international program of research regarding the rehabilitation of handicapped individuals.

Planning for Rehabilitation

NIHR is mandated to develop and implement a long-range plan for rehabilitation research with the participation of federal and private sector organizations. The updated long-range plan is in the final clearance process for submission to Congress.

Coordination and Cooperation

The Interagency Committee on Handicapped Research (ICHR) continued to make substantial progress toward fulfilling its basic legislative mandate "to identify, assess, and seek to coordinate all federal programs, activities, and projects . . . with respect to the conduct of research related to the rehabilitation of handicapped individuals." The Committee has increasingly become a focal point, resource, and a forum for all federal agencies conducting or supporting rehabilitation research. Twenty federal agencies, assisted by six subcommittees, contribute to this effort.

The ICHR Annual Report, submitted to the President and the Congress, included summary descriptions of the core areas of rehabilitation research of 28 federal agencies.

NIHR collaborative projects were initiated with the Rehabilitation Services Administration, the President's Committee on Employment of the Handicapped, the Veterans Administration, the National Institutes of Health, the National Research Council, National Institute of Mental Health, National Institute on Aging, Department of Labor, President's Committee on Mental Retardation, Agency for International Development, and the Administration on Aging. These projects include a State-of-the-Art Conference on the rehabilitation of disabled aged individuals; an Arthritis Services Network to enlist and train 3,000 elderly volunteers to conduct four health promotion programs for 30,000 elderly arthritis sufferers; a Job Accommodations Network through which private sector employers share experiences in adjusting the work environment to accommodate disabled workers; and a conference to highlight cooperative labor-management relations in the employment of handicapped individuals.

The Interagency Rehabilitation Research Information System (IRRIS) has been tested using FY 1981 data and now contains FY 1983 federal rehabilitation research project data. The system will soon be available for use by federal, academic, and private sector users.

National Council on the Handicapped

The National Council on the Handicapped, which provided policy guidance for NIHR, became an independent agency in April.

Program Operations

During FY 1984, the NIHR budget for its base program was $36 million. Major use of these funds included: (1) Research and Training Centers, $16,407,392; (2) Rehabilitation Engineering Centers, $7,891,889; (3) Research and Demonstration Projects, $3,899,336; (4) Research Utilization and Dissemination Projects, $2,997,047; (5) Field-initiated research projects, $4,049,014; and (6) the Mary E. Switzer Fellowship Program, $513,969. In addition, NIHR received an allocation from RSA of $5 million for the administration of the Model Spinal Cord Injury Program.

Research and Training Centers

During FY 1984, the Research and Training Center (RTC) Program funded 35 centers. Each RTC conducts approximately 10 research projects. Specific projects concentrate on mental retardation, attitudinal barriers, independent living, the elderly, mental illness, deafness and hearing impairment, blindness and low vision, arthritis, special populations, pulmonary and neuromuscular disease, brain trauma, spinal cord injury, and vocational rehabilitation.

Each center also conducted approximately 6 short-term continuing education courses in response to demonstrated regional needs for approximately 8,500 professionals nationwide. Project staff also publish their research results and teach undergraduate and graduate courses in rehabilitation research. The Center program influences medical and rehabilitation education throughout the United States.

Rehabilitation Engineering Centers

During FY 1984, NIHR funded 16 Rehabilitation Engineering Centers (REC) (including one abroad) to develop methods of applying advances in medical technology, scientific achievement, and psychological and social knowledge to the problems of handicapped persons in relation to their environment. Each center conducts approximately 10 individual projects on the application of rehabilitation engineering in such fields as blindness aids, design and manufacture of wheelchairs, functional electrical stimulation, transportation, measurement of functional capacity, evaluation of devices, treatment of low back pain, prosthetics and orthotics, worksite modification, hearing aids, and communication devices for individuals who are nonvocal.

In addition, each Center assists in the development of manpower and training programs through which the techniques, hardware, and systems developed can be introduced safely into the service delivery system. Approximately 2,000 professionals working in the fields of rehabilitation engineering, physical and occupational therapy, speech and hearing, psychology, social work, orthopedic and physical medicine participated in training programs sponsored by the REC's.

Research and Demonstration Program

By awarding grants and contracts, the Institute investigates unsolved problems relating to vocational rehabilitation and other services and the specific needs of handicapped persons. The projects focus on any area in rehabilitation and complement and supplement the RTC and REC programs.

The NIHR funded 24 Research and Demonstration projects in FY 1984.

Research Utilization and Dissemination Program

The utilization of research knowledge is stressed throughout the legislation authorizing NIHR. The distribution of information concerning developments in rehabilitation procedures, methods, and devices to rehabilitation professionals and to disabled persons is being carried out among other ways through 14 Research Utilization and Dissemination projects. Among accomplishments of this past year:

- Exemplary practices were identified at the state level which assist the transition of youth with disabilities from school to work. Model programs are being promoted through diffusion network projects.

- The National Rural Independent Living Network was cited by the White House for its achievements in building partnerships for quality education in rural America. It successfully combines community, civic and educational organizations, private business, and disabled citizens in establishing a volunteer network for the dissemination of information and services to disabled persons in rural America.

- A conference entitled, "Youth with Disabilities: The Transition Years," sponsored by NIHR and Maternal and Child Health (National Institute of Health) focused on education and career preparation, social development, independent living, and community services.

- A series of Rehabilitation Research Reviews was published by the National Rehabilitation Information Center in cooperation with the National Council of Rehabilitation Educators in an ongoing effort. Each document presents a synopsis of existing literature on a topic of interest to rehabilitation researchers and others.

Fellowship Program

The Mary E. Switzer Fellowship Program completed its first year with an assembly in Washington of the 1983 and 1984 fellows. Among the projects undertaken during this initial year (1983) were some particularly interesting and useful studies, such as the one which demonstrated the feasibility of employing autistic adults — an historically unemployable population. Another project, on vestibular inner ear function, used simple but powerful testing methods to help explain that the behavior of children previously considered "clumsy" may be due to inner ear disturbances.

In the 1984 competition, 82 applications were received and 16 fellowships awarded.

Model Spinal Cord Injury Systems Program

As a result of legislative changes, the administration of the Spinal Cord Injury Model Systems Program (SCI) was transferred from the Rehabilitation Services Administration to NIHR. The selection criteria and results of the Model SCI Injury System have been accepted by the Commission on Accreditation of Rehabilitation Facilities and the American Spinal Injury Association for the establishment of clinical program standards for all accredited spinal injury service providers.

In the FY 1984 grant competition, 17 applications were funded for $4,991,163.

Field Initiated Research

NIHR completed its first competition for Field Initiated Research Projects in 1984. This program provides flexibility to NIHR to fund projects of merit which complement its research program, but which do not fall within a rigidly defined set of priorities. State and public organizations, institutions of higher education, and profit-making organizations were eligible to apply for these grants. NIHR received 372 applications, of which 104 were deemed by peer review to be of significant merit for funding. The 46 projects actually funded are distributed across the range of priorities considered important in the NIHR planning process. For example, one project proposes to use the community, secondary and postsecondary schools, and family recreational arts activities to increase the social, communication and community living skills of moderately mentally handicapped youth during the transition from school to work. Another project will examine state and federal expenditures for services to persons with disabilities, giving breakdowns where possible for specific disabilities.

International Programs

The international rehabilitation program within NIHR constitutes a multipurpose program including: international research and demonstration projects; the interchange of experts; the exchange of information; and training and technical assistance. With a core area of functional electrical stimulation, a Rehabilitation Engineering Center continues in Ljubljana, Yugoslavia. Specific steps were taken to phase down the P.L. 83-480 program during this past fiscal year.

OFFICE OF SPECIAL EDUCATION PROGRAMS

Programs administered by the Office of Special Education Programs (OSEP) are authorized by The Education of the Handicapped Act (EHA-B), as amended, and Chapter 1 of The Education Consolidation and Improvement Act. These laws are designed to enhance educational opportunities for the Nation's handicapped children and youth.

Congressional appropriations for the education of handicapped students have grown from about $1 million for personnel training in 1958 to more than $1.3 billion for 14 programs in 1984. For FY 1984 about 4.3 million handicapped children were counted as receiving special education and related services under the three formula grant programs administered by OSEP. Under these programs -- Handicapped State Grants, Preschool Incentive Grants, and Chapter 1 ECIA -- a total of $1,241,725,000 was provided to states for support of services to handicapped children.

Under the discretionary programs, a number of significant changes were made as a result of The Education of the Handicapped Amendments of 1983. Increased emphasis was placed on handicapped children and youth to make a successful transition from school programs to work and community settings. Specifically, Section 626 authorized the Secondary and Transitional Services program to support research, demonstration, and information and other activities for these children.

Program Highlights

During FY 1984, the Office of Special Education Programs (OSEP) conducted 15 onsite monitoring visits to state education agencies. OSEP monitoring teams reviewed 21 areas of state implementation. While substantial progress in state administration of the EHA-B has been realized, several areas of concern were consistently identified during the review process. These areas included: general supervision, monitoring and correction of deficiencies, complaint management, local education agency application content, procedures and procedural safeguards.

OSEP is currently in the process of refining the state monitoring system to ensure improvements in: (1) the collection and analysis of data, (2) the identification and remediation of findings on noncompliance, and (3) the provision of technical assistance.

Apart from the formula grants programs, OSEP administers 11 programs which support a wide range of activities through discretionary grants and contracts. Programs are carried out in five major areas: training, research, demonstration, information and technical assistance, and captioned films.

For FY 1984, $55,540,000 was awarded to more than 800 institutions to train special educators, administrators, parents, and others to provide special education and related services to handicapped children in a variety of settings. More than 60,000 persons are trained annually through this program.

Research activities totaling $15 million in FY 1984 emphasized the following areas: youth employment, postsecondary education, and assessment instruments and systems. In addition, two research institutes received support for long-term programmatic research into special education needs of minority handicapped children. A total of 145 research projects was funded in FY 1984.

Demonstration, technical assistance, and service projects were supported under five programs: Deaf-Blind Centers; Severely Handicapped Projects; Early Childhood Education; the Regional Vocational, Postsecondary, and Adult program, and the Secondary Transition program. A total of $51,100,000 supported 293 projects, with priority emphases on improving services to severely handicapped children, handicapped infants and preschool children, and to older handicapped students who are leaving school-age programs and entering postsecondary, work, or other community settings.

A total of $9,800,000 supported three programs -- Recruitment and Information, Regional Resource Centers, and Special Studies -- aimed at providing information and technical assistance to teachers, state and local administrators, government officials, and others involved in delivery of services to handicapped children and youth.

Finally, Media Services and Captioned Films, which provides for educational technology and captioning of films and TV for the deaf, as well as support for research and development in technology, was supported at a level of $14 million in FY 1984.

Conclusion

OSERS will continue to seek the integration of handicapped youth and adults into the economic and social mainstream. In order to achieve this integration, OSERS will improve employment opportunities through increased transition services from school to work. Additional emphasis will be given to cooperative programming among vocational rehabilitation, special education, and other programs.

There will be a continued increase of services to disabled infants and increased attention to the educational and rehabilitation needs of the learning disabled. These activities, as a continued collaboration with consumers, families, and advocates, will assist in meeting the above stated goal.

OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS

The Office of Bilingual Education and Minority Languages Affairs (OBEMLA) administers programs designed to improve the English-language skills of persons of limited English proficiency, to enable them to participate effectively in classrooms where English is the sole language of instruction, and to enable them to pursue occupations in environments where English is the language normally used. These objectives are met through the award of discretionary grants and contracts to state and local governments, institutions of higher education, and other eligible recipients to assist them in developing their capacities and resources to provide special instructional services.

Program Operations

OBEMLA administers bilingual education programs and activities authorized under the Bilingual Education Act, Title VII of the Elementary and Secondary Education Act (ESEA), as amended. The Office awards discretionary grants to local education agencies for capacity-building and demonstration projects, to institutions of higher education, and to other eligible recipients for training activities and other support services, as well as contracts for research, evaluation, and dissemination activities.

OBEMLA assists refugee children with funds appropriated under the Refugee Act of 1980, as amended. It also administers funds made available under the Refugee Education Assistance Act, as amended, to assist in the education of Cuban and Haitian entrant children. Funds for this program are distributed by formula grants, based on numbers of refugee children enrolled in schools in each state.

Bilingual vocational programs are authorized under the Vocational Education Act, as amended. These programs provide students with occupational training and job-related English-language skills and support the training of bilingual vocational instructors and the development of curriculum materials.

In FY 1984, a total of $139 million was awarded under ESEA Title VII programs. The major portion of this amount -- $81.5 million -- supported 564 capacity-building bilingual education projects at the local school district level. OBEMLA also awarded $10 million to support 16 regional multifunctional technical assistance resource centers throughout the continental United States, Hawaii, Puerto Rico, and the U.S. Trust Territories. This amount includes a multifunctional center serving Native Americans. In addition, OBEMLA awarded $4.0 million to support the coordination of technical assistance activities in 49 state education agencies and another $300 thousand to fund 5 state education agency-sponsored training projects. The remaining amount was awarded to a variety of training and specialized development centers, agencies, and fellowship recipients.

OBEMLA awarded $16.6 million to state education agencies to assist refugee children under the Refugee Act of 1980, as amended, and $5 million to assist school districts serving Cuban and Haitian entrants. An additional $30 million was awarded to LEAs through SEAs to provide services to recent immigrant students through the Emergency Immigrant Education Assistance Program under Title V of H.R. 3520, passed by the House of Representatives on September 13, 1984. Approximately 350,000 students were served in 28 states.

OBEMLA received approximately $7.4 million in advanced-funded FY 1983 and FY 1984 funds for bilingual vocational training, bilingual vocational instructor training, and bilingual vocational instructional materials development projects which became operational in the 1984-5 school year.

Accomplishments

Proposed Amendments to Title VII

In fiscal year 1984, the Administration proposed legislation to extend and improve the Bilingual Education Act. Specifically, the bill would increase flexibility at the local level to design programs to meet the needs of limited-English-proficient children in the district. The proposal would also provide increased emphasis on developing local capacity to serve target children. The program would be more sharply focused on those children most in need of services and the role of state education agencies in monitoring and coordinating bilingual services in the state would be expanded.

The proposal received considerable support from a number of important education associations.

Improving Program Effectiveness

OBEMLA continued the operations of the 15 regional multifunctional resource centers and approved the tasks for the three special populations national resource centers. The 18 centers placed the Department in one of the strongest positions yet to provide needed technical assistance to local schools serving limited-English-proficient children.

The Bilingual Education Fellowship Program Credit Management System, implemented in FY 1982, was used this fiscal year to track 150 previously traced fellows and 200 fellows who had not been tracked before FY 1984. Fellowship recipients were being surveyed to determine the extent to which they were complying with the work/pay-back legislative requirements.

Extending Services to Language Groups and Local Schools

OBEMLA funded 174 new and 391 continuing capacity-building projects at the local school district level. Sixty of the new projects were located in schools which had not been previously funded through Title VII. The projects served approximately 182,583 limited-English-proficient (LEP) students, representing 92 different language groups in elementary and secondary classrooms.

OBEMLA also funded 13 new and 33 continuation bilingual education demonstration projects. The 46 projects demonstrate exemplary approaches in the following areas, among others:

- 16 in instructional technology
- 5 in curriculum development
- 3 in preschool
- 2 for recent immigrant students
- 7 for high school students entering the job market
- 1 for gifted and talented LEP children

A total of 18 states, the District of Columbia, and Puerto Rico participated in the program. For the first time, two projects were funded in Puerto Rico to demonstrate exemplary practices for limited-Spanish-proficient students.

It is estimated that the demonstration projects funded in FY 1984 were serving approximately 11,740 students, representing 32 different language groups.

Broadening Communication with Field Practitioners

During FY 1984, OBEMLA expanded its efforts to communicate with various language groups, local school districts, organizations, and individuals. OBEMLA program officers met with grantees, contractors, and researchers interested in information about bilingual education at the federal, as well as the state and local levels. One of the results of working meetings with Native American representatives was the creation of a new multifunctional resource center.

Improving Technical Assistance and Information Dissemination

In FY 1984, the National Clearinghouse for Bilingual Education (NCBE) provided 25,946 units of information to users on demand and 18,750 proactive units, for a total of 44,696 units overall. State education agencies accounted for 30 percent of the inquiries, while colleges and universities accounted for another 30 percent. The rest, or 40 percent, were inquiries from teachers, administrators, and private individuals.

NCBE mailed 156,930 copies of the Forum newsletter to subscribers and an additional 5,400 copies to the multifunctional resource centers for their distribution. Online search training was provided to Department personnel as well as to numerous other agency personnel.

Expanding the Research and Information Base

OBEMLA funded 13 new and 4 continuation research contracts through Part C of the Bilingual Education Act at a cost of $5.28 million. The studies were designed to determine the need for bilingual education, to improve services to LEP students, and to improve Title VII program operations.

One of the most important studies continued in FY 1984 was the longitudinal impact study of services to LEP students. The assessment phase of this research was initiated this fiscal year. The contractor will be collecting classroom data and tracking the sample of students for next 3 years. One of the unique aspects of the study is that a student who graduates from a program of bilingual education into an all-English classroom will be tracked into the new setting.

One major study, titled "Significant Bilingual Instruction Features," was completed in FY 1984. This was a multiyear classroom-level study to describe instructional features characteristic of effective bilingual education classrooms. Three of the features identified by the researchers were:

- a congruence of instructional intent, organization, and delivery of instruction, and student consequences;
- use of active teaching behaviors;
- importance of teaching children English through basic skills instruction.

The Department also took advantage of a unique opportunity to fund the development of a research design which will enable the investigators of the "National Assessment of Educational Progress" to collect information on LEP students, as well as separately analyze data on the total language-minority student sample of 11-, 13-, and 17-year-olds.

Two contracts were continued for research in bilingual vocational education, and two new contracts were awarded. The first contract provides training to State Vocational Education Boards, state education agencies, and others on designing and carrying out successful bilingual vocational training programs, and on adapting and modifying current materials. The second contract is for the development of inservice training materials for bilingual vocational education program staff.

The National Advisory Council for Bilingual Education

The National Advisory Council for Bilingual Education held four public hearings in FY 1984. The hearings took place in San Juan, P.R., San Francisco, St. Paul, and New York City. The major topics of discussion at the hearings were the use of education technologies in bilingual education, and the needs of special populations such as handicapped students. Other topics were research and pending reauthorization proposals in Congress. A special forum was held in San Antonio in the Spring of 1984 to solicit ideas from the public regarding future directions for bilingual education.

Conclusion

The emphasis of the activities carried out by OBEMLA staff in FY 1984 was on strengthening the capacity-building efforts of states and local school districts to provide instructional services to LEP students.

OFFICE OF VOCATIONAL AND ADULT EDUCATION

The Office of Vocational and Adult Education (OVAE) assists the states in preparing persons for both paid and unpaid employment, and in providing adults with basic skills. Under federal law, vocational education programs emphasize equal opportunity and sex equity, in addition to the primary goal of preparing individuals to contribute to the Nation's economic well-being. Adult education provides adults with basic skills that prepare them to pursue a high school diploma or its equivalent.

OVAE's goals and priorities derive from two sources: (1) Legislation and its governing regulations and (2) Administration policies and goals emphasized by the Secretary of Education. The legislative and regulatory activities are divided into (1) mandated, ongoing administrative responsibilities and (2) discretionary activities for promoting program improvement, responding to national needs, and providing national leadership for these purposes. In supporting all of the Secretary's goals, OVAE places special emphasis on achieving excellence in education, improving department policy management and administration, promoting federalism, strengthening education and work, and reducing adult functional illiteracy.

Since there are considerable similarities among these five goals and the discretionary parts of the two acts OVAE administers, they are combined as Part I of this chapter. Part II summarizes OVAE activities in performing its legislatively mandated functions.

Part I -- Goals and Discretionary Activities

Administrative Improvements

OVAE's overall staffing was reduced by 20 positions without an adverse impact on the quality and timeliness of its products.

OVAE productivity was increased in FY 1984 after installation of automated office equipment and an electronic mail system.

Reauthorization of the Vocational and Adult Education Acts

The Omnibus Budget Reconciliation Act of 1981 extended both the Vocational Education Act and the Adult Education Act to September 30, 1984.

In February 1984, the Administration submitted to Congress a bill for the reauthorization of the Vocational Education Act. The bill would have simplified administrative and reporting requirements, consolidated a number of programs into block grants, and resulted in greater decisionmaking authority at the state and local levels. The bill would also have retained set-aside provisions for handicapped and disadvantaged individuals.

In March and August 1984, the House and Senate each passed reauthorization legislation for vocational education. Throughout September the Conference Committee worked to resolve substantial differences between the two bills. A conference bill, the Carl D. Perkins Vocational Education Act, was enacted and signed by the President on October 19, 1984. States will be required to operate under the provisions of the new Act in program year 1985-86.

In February 1984, the Administration submitted to Congress a bill to amend and reauthorize the Adult Education Act. The House passed a simple 2-year extension of the Act. The Senate passed reauthorization legislation for the Adult Education Act, largely incorporating the Administration's proposal. With some modifications, the Senate bill was enacted into law on October 19, 1984. States will be required to operate under the amended legislation in program year 1985-86.

Deregulation

During FY 1984, the Department continued its suspension of comprehensive efforts to deregulate the existing Vocational and Adult Education Acts, in anticipation of the reauthorization, choosing to address the same issues in the new bills. By the end of the fiscal year, reauthorization of both acts was imminent. OVAE began developing minimal, nonintrusive regulations for new or reauthorized legislation. In collaboration with other departmental units, OVAE will develop regulations that give states and localities a clear and constructive framework for implementing the new legislation.

Closer Collaboration with Business and Industry

As in FY 1983, OVAE in FY 1984 used several task forces to promote closer ties with the private sector as a means of strengthening education and work. The Assistant Secretary worked with the Special Assistant to the President for Private Sector Initiatives to identify new ways to collaborate in vocational education program planning and implementation. As a result, the task forces produced several joint private sector/vocational education projects during FY 1984.

National Task Force Initiatives

OVAE used its task forces as its primary vehicles for responding to national needs in vocational and adult education. Four task forces were active during FY 1984.

Private Sector Task Force. -- This task force emphasized developing and utilizing Vocational Instructional Program Advisory Committees (VIP Advisory Committees). It undertook a national census of VIP Advisory Committees and produced a resource guide for their use. At the end of the fiscal year, the task force was in the final stages of planning a national conference in October 1984 to honor representatives of the VIP Advisory Committees and to share innovative and successful models for private sector participation in vocational education.

Task Force on Defense Preparedness and Vocational and Adult Education. — During FY 1984, the task force:

- communicated bimonthly with the State Defense Preparedness Coordinator network initiated early in the fiscal year;
- developed and distributed to State Coordinators a listing of prime defense contractors;
- conducted seminars on defense preparedness in relation to the world of work and vocational education;
- initiated preparations for the first meeting of the joint Department of Defense/Education Department Committee on Education and Training for National Security.

At the end of FY 1984, following the successful completion of its work and on the recommendations of the Staff Report, the task force was disbanded and its functions assigned to an OVAE staff member to serve as Defense Project Officer. This staff member serves as a liaison with the Department of Defense, and is the contact person in the Department of Education for defense matters. The Defense Preparedness Initiative continues the primary task force objective of exploring ways to provide the necessary skilled personnel for the military sector and the defense industrial base through increased collaboration with the vocational and adult education community.

Task Force on Entrepreneurship Education. — This task force has continued to implement the goals of the Department's Policy Statement on Entrepreneurship Education through both information and recognition. The task force compiled and distributed an information package on entrepreneurship training and education to the states and local education authorities. It is developing a Recognition/Awards Program for outstanding examples of entrepreneurship education to encourage involvement of all levels of the vocational education curriculum. The program, which will be an extension of the Secretary's Vocational Education Awards Program, will involve the private sector and student organizations.

Early in FY 1984, a new departmental task force convened to involve all offices in promoting entrepreneurship education, to collect related information from all program areas, and to bring applicable programs closer to the private sector. With the Assistant Secretary of OVAE and other Assistant Secretaries, the task force plans to conduct a series of videotaped panels on entrepreneurship.

The Assistant Secretary chairs the Management Development and Technical Assistance Committee of the Federal Interagency Council on Minority Business Enterprise. Accomplishments included production of a return mailer for information and assistance for the OVAE MED Week program, and the maintenance of displays at four sites in the Washington, D.C. area, in conjunction with the Department of Commerce and the Minority Business Development Agency. In support of the Assistant Secretary's commitment to vocational agriculture, staff produced a detailed study, for inclusion in the Department of Agriculture's Report to the President on 1984, of accomplishments by OVAE in the field of rural entrepreneurship.

The Assistant Secretary's staff also participated in international entrepreneurship education by providing technical assistance to the Columbian Coordination of Volunteer Work in hosting their 1984 international conference. The conference, which was on improving the quality of community and national life in underdeveloped countries, was held in cooperation with DOD and AID personnel.

High Technology Task Force. — The task force's goal is to accelerate the integration of high technology advances by the vocational education enterprise, primarily by tapping private sector resources. During FY 1984, the task force participated in presenting research information and in contract monitoring and oversight.

One presentation, to the World Future Society, explored the impact of robotics in the context of the social enterprise. The presentation highlighted the structural unemployment resulting from displacement of workers in selected labor-intensive industries.

In its oversight function, the committee monitored an OVAE contract with the University of Tennessee, a project funded with monies available through Programs of National Significance. The University of Tennessee study was pursued with the cooperation of high technology industries that support the National Laboratory at Oak Ridge, Tenn., and the Tennessee Valley Authority. The research program included:

- Office in the Home -- telecommunications, operational management activity;
- COMTASK database -- establishment of computerized task analyses for high technology occupations; and
- a series of papers on various areas of technology.

The task force also provided oversight on a curriculum development project contracted with the Center for Occupational Research and Development. The resulting curriculum outline was in the broad field of robotics technology.

Increasing Program Quality and Technical Scope

One of OVAE's highest priorities continues to be the conduct of a comprehensive, multifaceted effort to promote excellence in vocational and adult education, primarily through projects administered by its Division of Innovation and Development. Some highlights of the FY 1984 effort are as follows:

NAS Study. — In cooperation with the National Academy of Sciences (NAS), OVAE conducted a national seminar to discuss the implications of the Academy's report, Education for Tomorrow's Jobs. At the Secretary's request, a series of followup seminars was held in each of the Department's 10 regions in cooperation with the Regional Liaison Office, the Secretary's Regional Representative, the National Association of State Directors of Vocational Education, and other organizations. The National Center for Research in Vocational Education was preparing a synthesis of the issues discussed and recommendations made at the regional seminars. As a result of interest in a videotaped seminar discussion among the Secretary, the Assistant Secretary, and the experts who authored the report, OVAE is piloting a series of videotapes on critical issues in vocational and adult education. The first videotape will address vocational agriculture issues.

Secretary's Awards for Excellence. — As in past years, national and regional experts chose one vocational education program in each of the 10 regions to receive an award. A major effort was made to publicize these programs nationally to stimulate replication.

Program Improvement Systems. — The National Center for Research in Vocational Education (NCRVE) completed studies concerning the needs of displaced workers; vocational students' basic skill performance; strategies for the technological update of vocational teachers; training implications for redesigned jobs; implications of robotics and office automation; the extent of entrepreneurship in vocational education; transition patterns between education and work; effects of vocational education; and the factors and forces that influence vocational education.

NCRVE also provided leadership in training and information dissemination as it conducted 92 training workshops in 32 states for 3,780 state and local leaders; selected and widely disseminated 12 state-developed products; managed a clearinghouse for research, curriculum development, and exemplary projects; and acquired an additional 900 products. As in previous years, the Center averaged more than 586,000 direct contacts with users. Through their services and assistance, the six Curriculum Coordination Centers saved the states more than $6 million in duplicative costs.

National Projects. — Accomplishments included continued preparation of course outlines for a new robotics technician curriculum; further examination of high technology as it relates to vocational education via a major multi-component project; continued collaboration with the Department of Commerce in the area of entrepreneurship education through a project that is featuring volunteer, private sector sponsors for entrepreneurship training at 20 sites nationwide; funding of two new projects to assist state and local educators in developing standards of excellence for Trade and Industrial Education and for Business Education; and funding of a project to develop collaborative efforts between vocational educators and the defense industrial base. Other efforts included a project identifying exemplary programs and practices used in training students for technology-oriented jobs; a model program for retraining displaced workers; and assistance to outlying areas of the United States to form better relations between industry and education programs. OVAE participated in the Small Business Innovative Research Program by funding a project to conduct research on new methods of word processing for the blind.

Community Education. — A major activity in the area of Community Education consisted in maintaining a strong facilitating role in the development of a network of state education agencies' community education personnel. In a series of monthly conference calls, representatives of the state directors planned strategies for strengthening Community Education at the state and local levels. Two meetings were held with all state education personnel to address the major national concerns in the area of Community Education. National issues relating to Community Education were analyzed by OVAE and conclusions communicated to institutes of higher education, community center directors, and Community Education state directors. These issues included Adopt-a-School, Latchkey legislation, and school-business partnerships. Over a thousand copies of publications developed under federal funds were disseminated through an extensive publicity effort.

Rural Education Initiative. — In FY 1984, rural education initiatives included the issuance of the Department's national rural education policy, and the Department of Education-sponsored National Rural Education Conference in June 1984.

Corrections Program. -- Accomplishments included the development of an interagency agreement between OVAE and the National Institute of Corrections (NIC), which transferred $100,000 from NIC to OVAE to assist in program development; the issuance of the Departmental Policy Statement on Correctional Education; compilation and dissemination of a correctional education resource guide; continuation of the book and learning resource distribution program to support the education and rehabilitation of inmates and their families; the expansion of the workshop program and greater contacts with other federal agencies; the establishment of the intradepartmental coordinating committee; and a contract for the study of vocational and related adult education programs in correctional settings.

Indian Vocational Education Program. -- Accomplishments included reviewing new applications and approving 30 projects for operation during FY 1984; onsite monitoring of 18 existing projects; and technical assistance for strengthening projects. Also, the Bureau of Indian Affairs (BIA)/OVAE Coordinating Committee met frequently, and the annual project directors' workshop was conducted early in the fiscal year.

Appalachian Regional Commission (ARC) Program. -- Although this special program is funded on the federal level exclusively by funds from the ARC, it is administered by OVAE staff. During FY 1984, 31 new projects were funded in 11 Appalachian states with $2.64 million in ARC funds and $2.78 million in state and local funds. Because this program is expected to terminate at the end of FY 1985, OVAE's ARC program staff will close out 256 completed projects. In addition, ARC will be processing and funding an estimated 38 new or continuing projects involving $2.2 million for vocational training and $400,000 for basic skills education.

Part II — Legislatively Mandated Activities

Administration of Vocational Education

In FY 1984, an estimated 16 million students benefited nationwide from federal funding of vocational education. More than $679 million in federal funds were appropriated in FY 1983 for use in school year 1983-84; state and local funding for vocational education continued to exceed federal outlays by a national ratio of approximately 9 to 1. During 1984, OVAE's Division of Vocational Education (DVE) performed functions in the following areas:

Technical Assistance. — DVE provided specific administrative assistance through onsite visits to nine states. While reviewing the state plans and accountability reports for approval, DVE assisted all states by telephone, and sent 366 pieces of correspondence. Technical assistance also included review and approval of the memberships, budgets, and evaluation reports of all State Advisory Councils for Vocational Education. DVE assisted the National Occupational Information Coordinating Committee in developing National Sample Units of Analysis to help State Occupational Information Coordinating Committees prepare materials relating employment demand and training supply.

In an effort to enhance DVE services, some program specialists are developing networks of resource people outside the federal government. These networks will help keep DVE staff informed on current issues, reach a greater number of people, and provide a stronger liaison with field leadership and the private sector.

Advisory Services. — While serving as advisors to nine national student organizations, DVE staff attended board meetings, participated in annual leadership conferences, and contributed to international activities of two student organizations. The staff provided national leadership and advisory services to State Vocational Education Agencies and international visitors in all vocational program areas, as well as areas concerning the disadvantaged, handicapped, and sex equity issues. DVE staff participated in 43 Department-sponsored and other international, national, and regional conferences and workshops. Staff members contributed to seven OVAE Task Forces, as well as serving on the policy and planning committees of the various divisions of the American Vocational Association. DVE responded to more than 2,000 letters from individual students, teachers, counselors, and other interested citizens requesting information about careers and occupations. Staff also provided advisory services to other government agencies. At the end of the fiscal year, in the face of impending new vocational education legislation, DVE planned to hold regional conferences to interpret the new legislation.

Audits. — DVE staff prepared 12 final letters of determination in FY 1984, which were issued by the Assistant Secretary to the appropriate grantees. DVE staff also took action to resolve findings contained in five organization-wide audit reports. In addition, DVE staff reviewed 29 organization-wide audit reports forwarded to DVE for informational purposes only.

Three draft audit reports were made available to DVE staff for comments and remarks to be considered by the Regional Inspectors General for audit in preparing the final audit reports.

As the fiscal year closed, DVE staff was completing its review of seven organization-wide audit reports. Final audit reports of vocational education programs administered by four separate states were also being reviewed.

The most common audit exceptions during FY 1984 included the lack of proper time-distribution records for salaries chargeable to more than one grant program; the lack of proper internal audits and reviews to determine state and local maintenance of effort; and other general recordkeeping and accounting deficiencies.

Grants Awarded. — During FY 1984, DVE reviewed and awarded new annual grants to 50 states. Certifications for 53 State Advisory Councils for Vocational Education were approved, and 49 Councils were funded.

Sex Equity. — DVE supported state efforts to encourage enrollment of men and women in vocational programs for nontraditional occupations. DVE supported state goals to increase enrollment of women in Agriculture, Technical, and Trade and Industrial programs, and the enrollment of men in Health Occupations, Home Economics, and Business Education. Staff participated in the national conference of the Vocational Education Equity Council. Staff also answered requests for information about sex equity issues, and advised states and state coordinators on their programs.

Special Needs Populations. — In conjunction with other OVAE units, DVE continued to encourage the states to provide vocational education to disadvantaged and handicapped students in the least restrictive environment. The states continued to expand and improve supplemental services to disadvantaged and handicapped students. Of handicapped students enrolled in vocational education programs, 75 percent were in mainstream programs.

Administration of Adult Education

The state-administered adult education program continues as a cooperative effort between the states and insular areas and the federal government. For program operations during FY 1984, states were assisted by $95 million in federal funds under the Adult Education Act. State and local matching funds are estimated at more than 55 percent. More than 2 million educationally disadvantaged adults participated in the basic and secondary education programs during FY 1984, while the program continued to emphasize serving adults who need basic skills. During FY 1984, the Division of Adult Education (DAE) performed functions in the following areas:

Technical Assistance. — Improving the quality of adult education through national leadership and technical assistance continued as a major focus of DAE efforts during FY 1984. Accomplishments included disseminating materials on the use of job-related English in adult education programs; identifying educational practices and products that are effective in meeting the various cultural, educational, and employment needs of immigrants and limited-English-proficient adults; disseminating materials and coordinating with other agencies on learning resources for disabled adults; providing career guidance for limited-English-proficient adults; disseminating and sharing information through networks in support of competency-based adult education, volunteerism, and education for adults with disabilities; sharing profiles of projects for older persons developed under the Memorandum of Understanding with the Administration on Aging; and identifying and assessing linkages between adult education and vocational education in providing basic skills under the Job Training Partnership Act.

Also in FY 1984, DAE provided leadership and assistance through a national meeting of State Directors of Adult Education. Two workshops for recently appointed State Directors were held late in the year for the purpose of indepth guidance on the development of state plans and other matters relating to program administration.

Special Projects and Teacher Training. — Each state is required to spend at least 10 percent of its federal allotment under the Adult Education Act for special experimental demonstration projects and teacher training projects. To assist states in improving their administration of these federal funds, DAE developed a self-assessment guide and provided additional resources to state offices. During FY 1984, categories receiving special attention by the states included life and employability skills, uses of technology, literacy tutoring, and staff development.

Dissemination of Exemplary Projects — DAE provides assistance to state education agencies and to the adult education field by identifying exemplary projects. DAE and the National Diffusion Network jointly developed a catalog of 22 exemplary projects. Several of these projects received national validation by the Department and were funded to disseminate their processes, curriculum, and materials to local adult education programs via the National Diffusion Network. The most recent is the California Adult Student Assessment System (CASAS). CASAS information has been distributed to all states, and training for adoption of this competency-based system was begun in several states.

OFFICE OF POSTSECONDARY EDUCATION

The Office of Postsecondary Education (OPE) is involved in a broad spectrum of federal support for various postsecondary education activities: federal student financial assistance, institutional development, student services, housing and facilities, veterans' affairs, cooperative education, international education, graduate education, and new innovations related to the improvement of postsecondary education. In addition, OPE houses the White House Initiative on Historically Black Colleges and Universities, a governmentwide program established by Executive Order.

In FY 1984, as in FY 1983, six goals reflected OPE's mission:

- efficient program management;
- deregulation of postsecondary education programs;
- assistance to historically Black colleges and universities;
- access to equal educational opportunities;
- enhancement of the Nation's role in international education; and
- support for innovative teaching methods and practices.

OFFICE OF STUDENT FINANCIAL ASSISTANCE

The Office of Student Financial Assistance (OSFA) has been conducting quality control studies of its programs in an effort to improve program management. The latest phase of this quality control effort will focus on error rates not only in the Pell Grant Program but also in the Guaranteed Student Loan, National Direct Student Loan, College Work Study, and the Supplemental Educational Opportunity Grant programs. Collectively these programs provide over $11 billion to students attending postsecondary educational institutions, and this phase of the study will continue to provide information which will lead to more effective methods of delivering this assistance.

Another management effort that is underway is the Guaranteed Student Loan Program (GSL) Quality Control Study, which will:

- identify the guarantee agency and ED payment error rates in the GSL program nationwide;
- identify the types and probable causes of payment error;

- assess lenders' adherence to federal requirements for due diligence in reducing defaults and enhancing debt collection;
- depending upon the findings of the study, develop appropriate corrective actions designed to reduce payment error.

Debt Collections

Collection of defaulted student loans continued to be a major activity of the Office of Student Financial Assistance. During FY 1984, approximately $90 million in defaulted loans were collected.

In FY 1984 efforts were strengthened and expanded to increase collections, including the continued utilization of credit bureaus, to aid in locating borrowers in default and to act as a deterrent to default. A major new collection initiative was launched to identify defaulted federal employees: matching federal employees records against loan defaulters records. This initiative resulted in the offset of pay (15 percent of each pay period's check) for employees not voluntarily repaying their obligations. The crossmatch identified some 46,000 employees who had $67 million in default. As of June 30, 1984, $7.8 million had been recovered.

The Deficit Reduction Act of 1984 provides for reduction in federal tax refunds by the amount of the debt owed the federal government. Payments owed the Department as a result of defaulted loans will be withheld from Treasury payments to the individual. Although these provisions will not be implemented in time to have any budgetary impact until at least FY 1986, outyear savings should be significant.

A study is underway to specifically examine the impact of different practices used by lenders and guarantee agencies to prevent student loan default and collect loans that do end in default. This project will identify exemplary due diligence practices in the Guaranteed Student Loan Program. Due diligence procedures used in (1) credit extension, (2) loan servicing, and (3) collections will be evaluated. As a result of this project study, models will be developed which lenders and guarantee agencies can use to effectively manage their loan portfolios. In addition, the study will serve as a prototype for managing approximately 200 active federal loan programs in the area of default prevention and collections.

The Office of Student Financial Assistance, which deals with almost 90 percent of the audits received in the Department, continued a special initiative on audit resolution that began in FY 1982 when a significant backlog of audits was eliminated. From October 1, 1983, through September 1984, 1,763 audits were resolved. All were resolved within 6 months of issuance to meet the conditions set forth in OMB Circular A-50, which requires federal agencies and departments to establish a system of resolving audits.

Recovery of taxpayer funds was made as follows:

- As a result of the audits which were resolved, $21,953,709 was identified for recovery.
- From October 1, 1983, through September 1984, 721 institutional program reviews were conducted with an estimated yield of $10,906,225 in liability due the federal government. In addition, 745 lender reviews were conducted, yielding an estimated liability of $4,243,908.

Tax Exempt Bond Issuances

The Department has implemented the tax exempt financing provisions contained in the Student Loan Consolidation and Technical Amendments Act of 1983. Essentially the provisions prevent any tax exempt bond authority from issuing obligations in excess of what is reasonably needed for student loans within the area served by the authority, taking into account other sources of student loan credit in that area. The Department's implementation of this amendment has been carried out with the major emphasis placed upon the consideration of assuring student loan access at the least possible cost to the taxpayer.

Since enactment of the amendment, approximately $1 billion in new tax exempt issuances has been disapproved (an amount about equal to the amount of new issuances approved), providing significant savings to the government without adversely affecting the availability of student loan capital.

In addition, the Department has been successful in encouraging the use of taxable financing to provide funds for the operation of the direct lending and secondary market activity of the authorities. Such financing has been obtained in the amount of $1.85 billion which, a year ago, would have been issued in the form of tax exempt obligations. Although the Department has continually solicited program participants to report any instances in which implementation of this new legislation has adversely affected loan access, no such reports have been received to date.

Management Improvement Through Use of Technology

As part of the next processing cycle for the Pell Grant Program, the Department is exploring the possibility of planning to allow a small group of schools to have their Pell grant payments processed electronically by utilizing the services of an electronic pilot project. The major advantage of this new system is that it will, once fully operational, permit schools to reduce significantly the amount of "paper" which must be processed in order for eligible students to receive their Pell Grant awards. This new electronic delivery system will also reduce a 6-week payment process to a 24-hour turnaround time in generating a new award level for the institution.

To reduce paper flow and to maximize automation in the processing of recipient data, participation in the Recipient Data Tape Exchange Program (RDTE) has been promoted. As of December 30, 1983, there were 138 participating RDTE institutions. Our efforts in promoting this approach resulted in 110 new institutional agreements since January 1, 1984.

In January 1984, the Office of Student Financial Assistance began the development of an innovative electronic data transmission system for use by colleges and universities to transmit their 1985-86 application (the Fiscal Operations Report) for the National Defense Student Loan (NDSL), Supplemental Educational Opportunity Grant (SEOG), and the College Work Study programs (CWS). Stage one of the project was to identify approximately 200 institutions nationwide that were willing to join us in a feasibility study of this electronic transfer concept.

In September 1984, these institutions used a terminal or micro-computer located at the institution to transmit their data through a contractor-operated application gateway into our central processing facility. This was done in lieu of the institution manually completing the paper forms, duplicating and mailing the forms to the Department, and our screening and submission of the forms to a contracted keypuncher. A cost-benefit analysis will be conducted at the close of the feasibility study to determine whether or not a larger segment of institutions should be invited to perform electronic processing next year.

Student Financial Aid Program Initiatives

A new Pell Grant application processing contract was awarded June 30, 1983, and processing of 1984-85 applications began on February 15, 1984, as scheduled. The new processing system provides for improved services to students and institutions by processing applications within 20 days of their receipt. A key element of the new system is the use of optical mark readers (OMR) configuration with a computer to perform data entry functions. This new feature replaces the traditional keypunch methods of computer captured data.

The Office of Student Financial Aid is involved in the design of a new Pell Grant disbursement system for the 1984-85 award year. This system represents a significant departure from processing methods used in previous award years. The system operates much like methods employed by banks in that periodic statements of account are issued and authorization levels are based on actual student disbursements.

The benefits of the new system include a more precise accounting of Pell Grant funds and more accurate distribution of funds to institutions.

In the fall of 1984, a supplemental allocation was redistributed to institutions participating in the campus-based programs (NDSL, CWS, and SEOG) of more than $14.5 million. The additional funds were a result of an annual deobligation of 1983-84 unused funds and were reallocated for use in the 1984-85 award year.

As a result of the National Adult Literacy Initiative, a pilot project was started in July 1983, with 18 institutions of higher education awarded $20,000 each to be used for combating adult illiteracy. Due to the success of the pilot project, OPE earmarked a portion of 1983-84 funds reported by institutions of postsecondary education as unexpended for the College Work Study (CWS) program, to make supplemental 1984-85 allocations to those institutions which employed students in CWS on- or off-campus jobs in Adult Literacy projects during 1983-84. Fifty institutions in 26 states received a share of $706,000 earmarked for this purpose. These institutions employed 610 students in adult literacy projects under the College Work-Study Program as tutors and in other jobs. OPE is continuing to encourage additional institutions to use a portion of their 1984-85 CWS allocations in this adult literacy effort.

Effective June 30, 1984, the Department ceased approving loan applications under the Federal Insured Student Loan Program (FISLP). Since 1976, when the Education Amendments of that year required that the Commissioner of Education develop and execute a plan to encourage establishment of a new state student loan insurance program in each state that did not already have a program, loan volume under the FISLP has declined dramatically. This is because of both the tremendous growth in the state and private-nonprofit guarantee agency involvement in the Guaranteed Student Loan (GSL) program and also because of the limited conditions under which a lender served by a guarantee agency may make a FISL. Arrangements have been made to assure that every current FISLP lender has access to a guarantee agency program.

OFFICE OF HIGHER EDUCATION PROGRAMS

The Office of Higher Education Programs (OHEP) implemented a comprehensive reorganization plan in May 1984. The Office was reorganized from a programmatic model to a functional model for more efficient management and delivery of higher education program services. OHEP now consists of three major components: Higher Education Management Services, Higher Education Program Services, and the Center for International Education. These components administer 36 different programs of service to institutions of higher education.

The Postsecondary Relations Staff (PRS) was also created through the recent reorganization. This staff is responsible for liaison and coordination, on behalf of the Office of Postsecondary Education, with outside organizations and also manages the statutorily required function of liaison with community colleges. During FY 1984, PRS assisted postsecondary educational institutions with a significant Hispanic enrollment by coordinating a series of nationwide technical workshops on federal and private resource development.

OHEP Program Initiatives

College Housing Loans

Recent amendments to the Housing Act of 1950 authorized the Department, under certain conditions, to grant discounts to institutions that prepay their college housing loans. In FY 1984, more than $284 million in loans were paid. This was a threefold increase over prior year loan collections.

During FY 1984, the Division of Institutional Development (DID) successfully implemented the new Endowment Grant Program authorized by the Challenge Grant Amendments of 1983. This program awards matching grants to institutions, under Title III of the Higher Education Act, to build their endowments. Four hundred-and-one institutions applied for the $7.1 million available. Thirty-three successful applicants were notified in October 1984 of their awards.

INTERNATIONAL EDUCATION

The primary mission of the Department's Center for International Education is to develop and sustain the competence of U.S. institutions and individuals in foreign language and area studies, particularly in the more difficult uncommonly taught languages. This mission was accomplished primarily through the award of grants to 91 university language and area centers and about 800 fellowships under Title VI of the Higher Education Act. Other programs in undergraduate studies and research complement the centers and the fellowship programs by providing assistance to institutions wishing to initiate or improve their programs in foreign language, area, and international studies.

In August 1984, the President signed into law the Education for Economic Security Act, more often referred to as the math/science initiative. This legislation authorizes 25 percent of any discretionary funds appropriated under Title II, Programs of National Significance, to be used to award grants to institutions of higher education for the improvement and expansion of instruction in critical foreign languages. The study will be administered by the Office of Postsecondary Education.

The National Advisory Board on International Education met twice in FY 1984. In response to a request from the Secretary, the study of "Critical Needs in International Education" was published during the year. Recommendations to the Secretary for consideration during the Higher Education Act reauthorization process were in preparation.

A new Business and International Education Program was funded for the first time in FY 1983 by the Congress to encourage education and training in language and area skills pertinent to international business and the U.S. economic position; 37 matching grants were awarded in FY 1984 totaling $2 million dollars. The selected institutions will work in active partnership with private sector businesses and trade organizations to conduct programs emphasizing export education.

In May 1984, the Teacher Exchange Program and the International Educational Development Program that the Department had been administering under contract with the U.S. Information Agency (USIA) were transferred back to USIA.

Maureen and Mike Mansfield Foundation

In FY 1984, the Congress appropriated $5 million for the Maureen and Mike Mansfield Foundation. This foundation was established to support two centers: the Mansfield Center for Pacific Affairs at Flathead Lake in northwestern Montana and the Maureen and Mike Mansfield Center at the University of Montana in Missoula.

The Mansfield Center for Public Affairs will bring leaders in business, government, and cultural affairs together from nations of the Pacific to participate in conferences and seminars on the developing economic and cultural ties in this region.

The Maureen and Mike Mansfield Center will conduct academic programs related to Pacific area studies and ethics in public affairs.

The two centers will sponsor cooperative programs designed to build upon their complementary relationship, such as hosting major conferences on Pacific area political, cultural, and trade relations.

The funds were provided to the Foundation on May 18, 1984. The Foundation will use these funds as an endowment to support its activities.

Japan/U.S. Initiative

The Office of Higher Education Programs participated in several initiatives to enhance the Nation's role in international education in relation to the Japan/U.S. Conference on Cultural and Educational Interchange (CULCON). These efforts included:

- accepting the assistance of the Japan Foundation to cover "in-country" costs for the Fulbright Program, thus expanding the program's potential;
- initiating a comprehensive 2-year comparative education study with the Japanese Ministry of Education;
- accepting, from the Minister of Education of Japan, 15 1-year university scholarships for American secondary school teachers of Japanese or potential secondary teachers of Japanese;
- assisting the White House to establish a "Japan Scholars" program for non-language majors; and
- establishing a 50-day summer program for American secondary school teachers of Japanese.

Fund for the Improvement of Postsecondary Education

The fund (FIPSE) is unique in that its authorizing legislation includes a comprehensive program mandate and broad institutional eligibility so that the portfolio of projects shifts as national needs change. For example, over 2,000 annual applications for the Comprehensive Program reflect such current concerns as using computers in education, coordinating education with business, responding to economic imperatives, providing instruction in math and science, and teacher education — none of which was prominent when the Fund started.

A measure of success of the FIPSE program is the continuation of projects after cessation of federal funding. In 1976, an evaluation of FIPSE showed that 78 percent of the projects funded were continued without further federal support. A 1983 followup study indicated that this rate of continuation had increased to 88 percent.

This past year, the Fund highlighted teacher education and school-college collaborations in its Comprehensive Program guidelines. More grants than ever before were awarded in this area, and the Fund convened three meetings of representatives of major foundations to discuss the issues.

In the area of educational technology, the Fund has awarded over 50 grants in the last 5 years and is moving to create a "computer collaborative" to spread the influence of these exemplary projects. The project directors will work together over the next 20 months to learn about one another's findings, highlight critical issues, and prepare papers and workshops for their own professional societies. Each director will represent the total collaboration on a national basis and will use a computer network to communicate with one another.

Executive Order 12320: Assistance to Historically Black Colleges and Universities

The White House Initiative office is responsible for the coordination of a governmentwide effort to maintain and increase support for the Nation's Historically Black Colleges and Universities (HBCUs). Through the office's Annual Plan and its Annual Performance Report, 27 federal agencies were monitored to ensure compliance with the Executive Order. These efforts were successful.

- In the FY 1983 Annual Plan, federal agencies projected that support for these institutions will increase from the $564,458,319 reported in FY 1982 to $629,277,458, an increase of $64.8 million or 11.5 percent.

- Many agencies responded to the special needs of many of the HBCUs by giving them technical assistance through special workshops and outreach efforts designed to provide information about available programs.

The week of September 23, 1984, was designated as Historically Black College and University Week by the Congress to commemorate this special week. Presidents of HBCUs were invited to Washington, D.C., to participate in a series of workshops and panel discussions on a variety of issues of great concern to them. The events were capped by an evening at the White House.

OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

The mission of the Office of Educational Research and Improvement (OERI) is to develop and transfer knowledge into education practice. The statistical, research, improvement, and dissemination functions of OERI are designed to assist the public and private sectors of education to achieve excellence in a nonintrusive and highly productive manner.

Organizational Structure

OERI consists of three program components:

- Center for Libraries and Education Improvement (CLEI)
- National Center for Education Statistics (NCES)
- National Institute of Education (NIE)

CENTER FOR LIBRARIES AND EDUCATION IMPROVEMENT

The Center for Libraries and Education Improvement (CLEI) is responsible for the coordination and implementation of strategies designed to link educational research and development with educational practice, to improve information services for all citizens and residents, and to better utilize the Nation's libraries and instructional resources. This is accomplished through:

- the administration of library programs;
- the identification, approval, and dissemination of exemplary education programs, products, and practices;
- the administration of major elements of the Secretary's Technology Initiative;
- the administration of selected programs designed to implement the recommendations of the National Commission on Excellence in Education; and
- the coordination of resource assessment and development activities throughout the Department of Education.

Division of Library Programs

During FY 1984 the Division of Library Programs (DLP) provided over $107.8 million in grant assistance to major research libraries, institutions of higher education, and state library administrative agencies. DLP administered six library programs under two legislative authorities: the Library Services and Construction Act and Title II of the Higher Education Act.

Most of DLP's funding, $101 million, supported public library services and construction, and interlibrary cooperation under the Library Services and Construction Act (LSCA). The amount includes $21 million remaining from the FY 1983 appropriation of $50 million made under the Emergency Jobs Act (P.L. 98-8) for public library construction. These funds were administered under the authority of LSCA Title II and are available for award to grantees as they request them. The Public Library Services program (LSCA Title I) provided $65 million to the states to extend public library services to areas and groups without services and to improve services for those who have inadequate services. Funds are used to strengthen state institutional library services and library services to the disadvantaged and for those with limited English-speaking ability. Funds are also used to strengthen metropolitan public libraries serving as national or regional resource centers. The Interlibrary Cooperation program (LSCA Title III) provided $15 million to establish or maintain local, regional, state, or interstate cooperative networks of libraries for coordination of the resources of school, public, academic, and special libraries, and special information centers.

Three library programs are administered under Title II of the Higher Education Act (HEA): Library Research and Demonstration (HEA II-B), Library Career Training (HEA II-B), and Strengthening Research Library Resources (HEA II-C). For the first time since 1965, no funds were appropriated for the College Library Resources program (HEA II-A).

Three contracts totaling $239,264 were awarded in FY 1984 under the Library Research and Demonstration Program. The Center for the Book at the Library of Congress was awarded a contract to assist in preparing a special report to Congress on "The Role of the Book in the Future." The American Library Association received a contract to study ways in which the accreditation standards for schools of library and information science can be improved. The third contract, for Libraries and the Learning Society, supported the work of a national advisory council and the preparation of five issue papers on the role of libraries in a learning society. Five national seminars were conducted to consider the issue papers and to make recommendations on how the Nation's libraries can assist with the implementation of the recommendations of A Nation at Risk. This contract resulted in the publication, Alliance for Excellence: Librarians Respond to "A Nation at Risk", which contains recommendations on how libraries support educational excellence and a learning society. The publication is being widely disseminated and discussed. Two additional seminars were held to consider one of the major recommendations of the report concerning a national assessment of school and public libraries.

Under the Library Career Training Program, 40 universities were awarded grants to support 76 fellowships primarily for minorities and/or economically disadvantaged persons and for the upward mobility of women and minorities. Under the Strengthening Research Library Resources Program, 35 grants ranging from $62,325 to $700,000 assisted 53 university, public, and independent research libraries primarily to improve the Nation's bibliographic data bases and to foster more effective resource sharing. These grants totaled $6 million. They were awarded to the largest number of participating institutions in the 7-year history of the program.

Division of National Dissemination Programs

The National Diffusion Network (NDN) is a program which makes exemplary education programs available for adoption by schools, colleges, and other institutions. NDN operates through two kinds of project grants -- Developer Demonstrators and State Facilitators -- and complements the efforts of these grantees through technical assistance contracts.

Developer Demonstrators receive funds to make others aware of their exemplary programs and to provide training, technical assistance, and, in some cases, materials so that these programs may be installed in new settings nationwide. State Facilitators disseminate a variety of exemplary programs within the state served, particularly those developed in other states, and serve as the principal link between the Developer Demonstrators and those school districts seeking new programs.

In 1984, $10 million of the Secretary's Discretionary Fund (Chapter 2) was earmarked for the NDN program. However, these funds were frozen by court order in the Chicago desegregation case. In July, the court released some funds, of which $537,769 was used to provide partial funding for some NDN grantees. Due to the severe problems created by the freeze of funds, Congress directed that FY 1985 funds be used to support projects approved in FY 1984. The $10 million total supported NDN projects as follows: $2.9 million continued 52 developer demonstrator projects; $1.8 million supported 39 new developer demonstrator projects in areas such as math/science, computer technology, and adult literacy; $4.5 million funded 53 new state facilitator projects (one in each state, D.C., Puerto Rico, and the Virgin Islands); and $790,000 supported technical assistance projects.

For FY 1984, the NDN concentrated on promising programs in various priority areas, including instruction in mathematics and science. Programs serving the needs of special populations, including illiterate adults, and gifted and talented students, as well as special education programs, were also given priority. Technical assistance contractors provided direct assistance to individual project directors and assisted the NDN in searches for promising education programs which have the potential of becoming future Developer Demonstrators. As a result of recent searches, 14 priority area programs were approved by the Joint Dissemination Review Panel (JDRP) which examines promising programs for evidence of effectiveness.

The programs approved by the JDRP for dissemination are listed in the annual updates of the catalog, Educational Programs That Work. They are eligible for funding by NDN as Developer Demonstrators. The total number of JDRP approved programs as of September 30, 1984, is 383.

Among NDN highlights for this past fiscal year:

- NDN sponsored a video-teleconference on adult literacy in February. Telecast from Kansas City, NDN Developer Demonstrator projects as well as other adult literacy programs were featured, along with highlights of the National Adult Literacy Conference. During the year, NDN also sponsored satellite conferences on mathematics, science, reading, and writing programs. These video-conferences were broadcast to nationwide audiences, and resulted in increased requests for followup services and adoptions.

- NDN's Developer Demonstrator Project R-3 was selected as an exemplary math program by the Industry Education Council of California. It was chosen because of its cooperative efforts among schools, businesses, and industry, and its transportability. Project R-3 is described in a handbook, Strategies for Preparing Competent Students in Math, Science and Computer Related Careers, which was distributed at the "Partnerships" 1983-84 workshop in November 1983. In addition, the project was disseminated through the statewide network of three regional centers which help educators use already developed programs.

Division of Technology, Resource Assessment, and Development

The Division of Technology, Resource Assessment, and Development (DTRAD) administers several activities under the Secretary's Discretionary Program, including technology projects, teacher incentive projects, the unsolicited grants program, and the Territorial Teacher Training Assistance Program.

During FY 1984, DTRAD added to its repertoire of high quality television programming. Production was completed for the third season of 3-2-1 CONTACT!, scheduled for broadcast next year. This series is intended to stimulate interest in science among 8- to 12-year-olds and to make them aware of potential careers in science. Another new television series, The Voyage of the MIMI, aired over public television stations in September 1984. The goal of MIMI is to increase children's understanding of science, mathematics, and technology and to convey that these areas provide exciting and rewarding experiences. A third new television program, The World of Work, was completed in 1984 and will be available for broadcast in 1985. This series is designed to assist both new and older workers in being able to understand changes taking place in the job market, new jobs that are opening up, and new skills that are required for the jobs. The series also encourages workers to get the training they need for entry level jobs or to change careers. The series, targeted at both inschool youth and employed adults, is supplemented by written materials and a videodisc.

DTRAD continues to distribute to schools and television stations previously funded television series through its tape storage, duplication, and captioning contract, currently with the Great Plains National Television Library (GPN) in Lincoln, Nebraska. All program series in the library include "closed captions" for the hearing impaired. Satellite networks such as the Christian Broadcasting Network, Catholic Broadcasting Network, and commercial satellite systems increasingly use these programs. The estimated audience for the secondary distribution system is 40 million viewers; GPN promotion activities have resulted in an 18 percent increase in program placements in commercial, public, and cable TV systems.

DTRAD's 12 school-based demonstration projects, first funded in FY 1983, are designed to demonstrate applications of new technologies in improving teaching and learning in reading, writing, science, and mathematics. These projects have made substantial progress in building upon and enhancing their earlier efforts, and now provide practical assistance to other state and local educators in technology applications. For example, one project serving 22 school districts in rural western Kentucky has successfully demonstrated cost-effective means of delivering educational software to enhance local instructional programs in reading and mathematics. Through innovative technology this project has used the Kentucky Early Warning System to link the minicomputer at Western Kentucky University to the local schools. The project has been so successful that other school districts throughout the state have asked to be included.

The Territorial Teacher Training Assistance Program (TTTAP) made awards totaling $1 million in FY 1984 to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands to train elementary and secondary school teachers.

Other DTRAD activities included:

- Support of a Regional Grant Program through the Northeast Exchange, Inc. (NEREX), involving a major workshop and three interrelated broadcast teleconferences focused on integrating microcomputers into the schooling process;

- Support of Project SLATE (State Leadership Assistance for Technology in Education), designed to build state capacity for decisionmaking about computers in schools;

- Completion of three software development projects which will improve the use of technology in the instruction of basic skills —
  QUILL - microcomputer software to improve the teaching of writing;
  TABS - mathematics software; and
  IRIS - a comprehensive microcomputer-based reading comprehension program;

- Funding of 51 planning grants to develop local teacher incentive structures acceptable to local school boards in response to A Nation at Risk; and

- Administration of the application review process for the Secretary's Discretionary Program, Unsolicited Grants. This involved processing 358 applications.

NATIONAL CENTER FOR EDUCATION STATISTICS

During FY 1984, the National Center for Education Statistics (NCES) appropriation of $8,747,000 supported a core reporting program in education statistics on the condition of education in the United States. There are two aspects of the core program:

- several major cross-sectional data collection systems describe the characteristics of the education enterprise from elementary/secondary through postsecondary levels; and

- a longitudinal and fast response studies program provide federal, state, and local decisionmakers with relevant data.

During the past year, the NCES has continued to work on the redesign of three of the survey systems which contribute to this core.

- The Center continued to modernize and streamline the Common Core of Data (CCD) system. This survey system assembles data on elementary/secondary education institutions from each state education agency.

- The development of an Integrated Postsecondary Education Data System (IPEDS) has constituted a major redesign effort. This year's work focused on defining postsecondary education providers and consolidating definitions and data collected from three existing survey systems: the Higher Education General Information Survey (HEGIS), the Survey of Non-Collegiate Postsecondary Schools with Occupational Programs, and aspects of the Vocational Education Data System (VEDS).

- In the area of vocational education, problems with the accuracy and meaningfulness of the data from VEDS prompted the Office of Management and Budget to suspend data collection and NCES to begin work on a redesigned system. The primary goal of the redesign effort is to provide the kind of accuracy and reliability in national statistics that is necessary for policy decisions, as the mandate intended. The VEDS redesign effort is expected to continue throughout FY 1985.

The other major aspect of the core program has been the longitudinal and fast response surveys.

During the last fiscal year, NCES continued work on a fifth followup to the National Longitudinal Study of the High School Class of 1972 (NLS-72) and a third followup of the High School and Beyond study (HS&B). These studies focus on the senior high school class of 1972 and the sophomore and senior classes of 1980. Developmental work was begun on two new cohorts to be implemented for FY 1988. These would replace NLS-72 and the senior cohort of HS&B. This new study has been named the National Education Longitudinal Study: 1988 (NELS-88). NELS-88 is intended to present, for the first time, a comprehensive picture of U.S. education at the postsecondary as well as the secondary level.

A number of fast response surveys were also conducted in FY 1984. The Fast Response Survey System (FRSS) was designed to gather data in an expeditious manner that is targeted on issues of importance to federal officials.

Particularly noteworthy were activities in four high priority areas:

- Education Indicators
- Excellence in Education
- Elementary/Secondary Statistics
- Shared Data Collection

Education Indicators

The development of education indicators was a significant project in NCES in FY 1984. The project was undertaken with the support of the Education Leaders Consortium (ELC) and other outside groups partly as a response to the National Commission on Excellence in Education (NCEE) report and other major national education reports. Statistical measures summarizing the status of education and educational trends were developed for the elementary/secondary level. The indicators attempt to quantify three aspects of education: the context, the inputs, and the outcomes. A report based on this effort will be released early in FY 1985, and work will continue in this area to develop recurring sources of data for these measures and to expand the effort to other levels of education.

Excellence in Education

NCES' data collection and analysis efforts were particularly relevant to the current debate on excellence in education. The High School and Beyond Study was used to determine the extent to which students were meeting the coursework standards of the NCEE. Two Fast Response Surveys were conducted relating to excellence. "Teacher Preparation in the Use of Computers" surveyed schools, colleges, and state education departments concerning the availability of computers, computer education requirements, student exposure to these courses, problems in the courses, and plans for computer education programs. A "Survey of Remedial Studies in Institutions of Higher Education" was conducted in response to the NCEE report which discussed the high number of remedial courses being offered to postsecondary students. It obtained nationally representative data on the nature and extent of remedial programs in 2- and 4-year postsecondary institutions. In addition, NCES funded a study of international teacher characteristics and salaries from which comparable statistics from highly industrialized countries will be analyzed. These data will assist policymakers to examine the relationship between the quality of education and teacher salaries.

Private School Survey

The Private School Survey is part of a series of alternating public and private school surveys to report on policy issues in our Nation's schools. Data collection was completed for the survey of private elementary/secondary schools in FY 1984. This survey, the first to accurately represent all private schools, will provide baseline data on the number of schools, enrollments, and staff as well as data on program offerings and teacher characteristics. From this survey a total of seven reports will be released in FY 1985 on the following issues: private schools in the United States, by number and enrollment; selected characteristics of private school teachers; program funding in private schools; selected characteristics of private schools; meeting pupil needs in private schools; and minority enrollment in private schools. Complementary data on public schools will be collected in FY 1985.

Shared Data Collection

There was continued interest in shared data collections for the mutual benefit of NCES and other agencies. The Department of Defense Dependents Schools and their Defense Manpower Data Center as well as the Office of Bilingual Education and Minority Languages Affairs within the Department augmented the High School and Beyond Study. NCES again supplemented the Bureau of Census' Current Population Survey to obtain data on pupil mobility, homework, and adult education. With the Corporation for Public Broadcasting, NCES will cost-share two major studies in the area of educational technology. The Higher Education Utilization Study will assess the availability, use, and impact of technology on the teaching and learning process in postsecondary schools, while the Technology Household Utilization Study will examine learning in the home.

NATIONAL INSTITUTE OF EDUCATION

Major contributions were made by the National Institute of Education (NIE) to the improvement of American education this year. The Institute established a theme of "Strengthening America's Classrooms" and concentrated high quality research programs on three critical areas: improving education software and the use of technology in schools; attracting, retaining, and training highly qualified teachers; and restoring excellence to America's schools. Much of the Institute's work is aimed toward solving problems identified by the report of the National Commission on Excellence in Education, A Nation at Risk.

Selected accomplishments of NIE in FY 1984 are described below.

Lab and Center Competition

Throughout the year, the Institute made final preparations for a series of competitions to establish a nationwide network of 22 educational laboratories and 21 research centers. These labs and centers will play a major role in furthering the excellence movement. They will provide valuable solutions to important education problems faced by our Nation's schools through grassroots research efforts. Proposals will be submitted and awards made in fiscal year 1985. To assure proper planning, input was solicited from a national panel of education experts and numerous study groups. More than 250 individuals provided written comments.

The first laboratory in this network, the North Central Regional Educational Laboratory, was established by NIE in the Chicago area (Elmhurst, IL) to work toward improving education in a 7-state region of the Midwest, including Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin. Those states have more than 10 million elementary and secondary students — 20 percent of the U.S. schoolage population.

In addition to the laboratory and center competitions, the Institute vastly increased its efforts to get its research findings "off the shelf" and into the hands of educators, policymakers, parents, and students. As part of its outreach emphasis, NIE launched two new publications, "Research Highlights" and "Research in Brief," to better inform educators and the public about important NIE research findings to improve our schools. These low-cost, 1-page leaflets are now being mailed monthly to more than 20,000 teachers, principals, superintendents, policymakers, and others nationwide to advise them about effective teaching and learning techniques.

Educational Technology

Over the past year, NIE has continued efforts to increase the role that technology can play in helping our schools to achieve the national goal of educational excellence for all learners. It is expected that technology activities will assume a high priority in the work of labs and centers over the next several years as shown by the significant interest and need that exists in this area throughout the country.

The Task Force on Educational Technology

A group of public and private sector individuals was established by the National Institute of Education for the exchange of ideas, views, and perspectives regarding the problems and potentials that exist in applying technology to education and to explore closer cooperation between federal and private sector organizations in this field.

State Issues on Effective Use of Technology

NIE commissioned and received a set of papers on state issues regarding the effective use of technology in schools. This collection of papers is designed to help state and local policymakers better understand the alternative state strategies for promoting the effective use of technology in schools.

The Educational Technology Center

This Center was established last year at Harvard University to provide a national focus for educational technology research activities and to provide leadership in increasing the achievement of students in elementary and secondary schools through the use of technology. In its first year of operation, the Center has initiated four pilot studies in science, two in mathematics, and three in computer education. Teaching experiments in all three areas are scheduled for the fall.

Catalog of Computer Education Projects

NIE developed a catalog describing computer education projects funded by the Department of Education and products available. NIE received numerous requests for the Catalog even before it became available on July 9, 1984, and plans to distribute 4,000 copies to the press, public officials, education associations, and other educators with computer education responsibilities.

Other Lab and Center Projects Related to Technology

These include an investigation of microcomputers as tools for enhancing student skills in writing and other basics; the development of models of determining costs and cost-effectiveness of employing technology in education; the construction and use of data bases for the improvement of higher education; a guide on software evaluation written for educators; and other explorations of the use of microcomputers for the teaching and testing of various problemsolving skills.

Teacher Quality and Effectiveness

Rising public concern over school quality has focused attention on teaching, particularly how to maintain and improve the quality of teaching. The report of the National Commission on Excellence in Education, A Nation at Risk, has added great impetus to state and local education agency efforts to improve in these areas. The activities NIE funds on the improvement of teaching are designed to provide information on: the condition of teaching and teachers; rewards and incentive systems within schools; teacher selection, evaluation, and training; and organizing schools to promote improved teacher performance.

Improving Teacher Career Development

Two projects, one still ongoing, have played a significant part in the design, implementation, and assessment of a teacher career development plan being initiated by the Charlotte-Mecklenburg (N.C.) School District. The original study helped the district understand that prior staff development efforts and other rewards were being used principally for maintenance, not improvement, of the system. The present study concluded documentation of the District's planning phase. It will follow the progress of this nationally publicized improvement effort through the first 2 years of implementation.

Institute for Research on Teaching

This Institute conducts research on teaching and disseminates findings to teachers, researchers, and policymakers. Over the past year, IRT staff have used a variety of methods to disseminate information on their activities:

- Staff spoke to over 23,000 people at conferences and workshops.
- Just over 100 presentations were made at national conferences, and approximately 70 presentations were made at state and regional conferences focusing on improving the quality of teaching.
- IRT conducted 73 workshops in schools across the country, reaching 3,973 people. Fifty-nine of those workshops were in Michigan, and fourteen were in other states.
- Almost 10,000 people — primarily teachers, administrators, teacher educators, and researchers representing all 50 states and over 20 foreign countries -- received the IRT Communication Quarterly, a publication which identifies new findings or exemplary practices involving teaching.

Successful Teaching Practices

A major accomplishment during FY 1984 was the completion of a 2-year project to develop a computerized file of information designed to assist teachers and administrators in the day-to-day operation of schools. Based on the recommendations of a group of educational practitioners (teachers, administrators, librarians, and counselors), new kinds of materials were collected and added to the existing Educational Resources Information Center (ERIC) database. Also, relevant documents and journal articles already in the ERIC database were "tagged" for practitioners. As a result, teachers and other education practitioners can now more readily obtain information from ERIC which is specifically targeted to their needs.

Center for the Study of Reading

The Center for the Study of Reading (CSR) at the University of Illinois, now in its eighth year, is conducting research on reading instruction with particular emphasis on reading comprehension. Through 1984, this internationally recognized NIE-sponsored Center recorded some impressive achievements:

- More than 25,000 students from kindergarten through college, in more than 100 schools around the country, participated in CSR's studies of reading.
- More than 350 reports of CSR research have been published and over 80,000 copies of these reports have been distributed in response to requests.
- CSR sponsored 16 special conferences for various groups concerned with reading, including teachers, trainers of teachers, researchers, executives in the publishing industry, and education decisionmakers.
- CSR staff conducted about 150 teacher workshops throughout the United States each year. These workshops were sponsored by local school districts and associations of reading teachers.
- CSR staff made over 900 presentations at professional and scholarly meetings.

Excellence in Education

In April 1983 the National Commission on Excellence in Education concluded in its report, A Nation at Risk, that "the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people."

The Government Printing Office (GPO) reports that over 70,000 copies of A Nation at Risk have been purchased, and private groups have reprinted at least another 500,000 copies for their own constituencies. In addition, the Department estimates that millions of readers have had access to the report through the GPO copies, other reprints, and extensive excerpts from the report in such national newspapers as the New York Times, the Washington Post, and the Oregonian.

The Nation Responds, released in May 1984, described the response of states, local schools, postsecondary institutions, and the private sector to the recent series of reports about education, including A Nation at Risk. The report shows that these groups have already taken many steps toward improving education and have accomplished a great deal in the past year. Almost 20,000 copies of the The Nation Responds were distributed by the Department. It is also available from GPO.

To ensure continued followthrough on the excellence efforts of the NCEE, the Secretary established an Excellence in Education Staff in NIE. In addition, other units in NIE conduct a variety of activities to promote educational excellence.

Effective Schools

NIE research has made the concept of "effective schools" the standard for school improvement across the country. Recent work examined the critical elements of school effectiveness in greater depth and has begun to explore the less well understood secondary school level. NIE is currently supporting the development of a sourcebook for teachers, administrators, and state and local education policymakers that contains succinct summaries of research on effective school practices, effective classroom practices, and policies and practices at the district and state level which influence effectiveness in schools. This sourcebook will be a single, integrated reference tool to which educators may turn for information on effective schools.

The Secretary's Secondary School Awards Program

Fiscal Year 1984 was the second year of this awards programs to recognize outstanding schools across the Nation. Designed and managed by NIE staff, the program recognized 220 schools in 1984, following up on the 152 schools recognized in 1983.

Follow Through Demonstration and Evaluation Project

This NIE-supported project is aimed at developing low-cost options on how to eliminate wasted class time and increase student learning time. Additionally, project staff have been called upon by local and/or state agencies in Virginia, Maryland, California, Oregon, Michigan, Arizona, and New York to help train school staff in those jurisdictions. Moreover, a number of schools and school districts are currently implementing some portion of the program from one or more sites.

Improving Mathematics and Science Learning

Over the past several years, NIE has been supporting a program of research on mathematics and science learning. This research has led to new insights concerning the knowledge and skills underlying successful learning. It is beginning to provide a basis for improvements in instruction, enabling students to achieve a deeper understanding of various topics covered in the school curriculum.

Involving Parents in Schooling

During 1984, the Southwest Educational Development Laboratory completed a 6-state (Arkansas, Louisiana, Mississippi, New Mexico, Oklahoma, and Texas), 4-year study of the status of parent involvement in elementary education. The study resulted in the development and dissemination of materials to strengthen inservice and preservice teacher training, improve policy formulation on parent involvement, and serve as guidance to parents, teachers, and local administrators seeking to improve education by forming stronger home/school alliances.

Disseminating Research Results

NIE took steps to ensure that the results of its work were communicated to educators and the public more effectively than ever before. Low-cost, highly targeted publications were sent to hundreds of thousands of parents and educators, and national newspapers and journal articles carried practical advice extracted from educational R&D to a readership of millions. NIE also worked hand-in-hand with the national associations representing school principals and superintendents, state and local school boards, teachers, legislators, and others to carry the findings of research to their members. In addition, special projects with these groups in education sites across the country helped apply research results in such areas as technology, evaluation, and teacher training to improve school practice.

Research Within Reach -- Getting The Word Out

During 1984, the Appalachia Educational Laboratory completed, extended, and expanded its dissemination and utilization of the highly praised Research Within Reach Series: Reading, Elementary School Mathematics, Secondary School Mathematics, Oral and Written Communication, and Science Education. NIE has distributed more than 75,000 copies of this series, which pulls together the best research and practice on a single topic and transforms that knowledge into highly usable forms for teachers and administrators.

By the end of 1984, the Appalachia Educational Laboratory will have formulated, field-tested, and revised their Guidelines for Assessing Secondary Remediation Software. These guidelines will assist classroom teachers in evaluating and using computer software in the areas of secondary math and reading remediation. The guidelines themselves are on discs which are compatible with most minicomputers in use by educators today.

How to Help Your Children Achieve in School

A 20-page pamphlet was published last year under the sponsorship of NIE to provide parents with some simple ways to help raise their children's achievements in school. The pamphlet gives parents suggestions on how to keep children interested in schoolwork and how to teach them techniques for paying attention, learning, remembering, and taking tests. The response to this effort has been tremendous, with well over 50,000 copies now in distribution. In addition to thousands of complimentary copies distributed by NIE and many more sold through the U.S. Superintendent of Documents, numerous school districts, education associations, and members of Congress have begun reprinting the pamphlet at their own expense for the use of their constitutencies.

National Assessment of Educational Progress Information Retrieval Systems (NAEPIRS)

In an effort to make findings of the National Assessment of Educational Progress (NAEP) immediately available to more people, NIE has developed an innovative easy-to-use computer program. The program contains more than 800 findings from NAEP data. NAEPIRS has been designed so that users can ask for findings according to subject or age group; or compare findings between groups such as rural and urban students, males and females, and students of different races.

The system is significant because for the first time educators and others interested in education can retrieve NAEP findings quickly and easily. NAEPIRS offers local and state school superintendents an opportunity to see how their schools are performing compared to others across the country. It gives legislators a chance to see what students are learning and to make budget and policy decisions accordingly.

Since its release in April 1984, NAEPIRS has been used by organizations ranging from local school districts to the Congressional Budget Office. Over 20 publications in education and information processing have been written about NAEPIRS, and the system has been incorporated into the Source, one of the leading electronic networks, and is being considered for inclusion in other electronic networks.

Chapter 1 Evaluation Study

In December 1983, Congress passed technical amendments to Chapter 1 of the Education Consolidation and Improvement Act of 1981. Those amendments required, among other things, that the Secretary of Education "conduct a national assessment of compensatory education assisted under (ECIA/Chapter 1), through independent studies and analysis by the National Institute of Education." The study's primary purpose is to inform Congress about the program in advance of its deliberations on the reauthorization of Chapter 1. The project will be jointly funded by NIE, the Office of Elementary and Secondary Education, and the Secretary's Discretionary Fund. To date, NIE staff have consulted with research experts in the field to obtain their advice on methodological issues associated with the study of program effectiveness; initiated a review of concurrent and recently completed studies of state agencies and their responses to both ECIA and the Elementary and Secondary Education Act (ESEA); and also supported a nationwide survey of school district implementation of the Chapter 1 program which examines several of the congressionally mandated topics.

IMMEDIATE OFFICE OF THE ASSISTANT SECRETARY

Several noteworthy projects were administered directly by the Immediate Office of the Assistant Secretary.

School Crime and Student Misbehavior

Recognizing the importance of partnership between education and law enforcement agencies at the local level in addressing the problems of school crime and student misbehavior, the Departments of Education and Justice agreed to jointly sponsor a project demonstrating an innovative model for managing crime and disruption in local school districts. The School Crime and Student Misbehavior Project is a response to the perceived national need to improve school safety and is consistent with findings of the NCEE report that a safe learning environment is crucial to achieving excellence.

This project, which was officially launched in the Fall of 1983, has two major elements. In the first year, the emphasis was on increasing the ability of campus administrators to respond effectively to disruptive incidents. One major component of this process was the use of the "incident profiling system," a structured procedure for collecting and analyzing information about school crime and student misbehavior. It was intended to help principals become more knowledgeable about the nature and extent of disruptive incidents on their campuses. Once the system was implemented, school administrators were introduced to a process for developing and implementing effective interventions.

In the second year, the emphasis will shift to improving relations among education, the judiciary, law enforcement, and social services agencies. Improved cooperation among groups and better understanding of campus climate is expected to help ensure a safer environment.

Florida, California, and Illinois each have one participating school district. A total of 45 schools are involved in the project. The total cost of the project is expected to be $600,000 over a 2-year period.

Evaluation of the National Center for Education Statistics

A $290,000 contract was awarded to the Committee on National Statistics (CNSTAT) of the National Academy of Sciences (NAS) to conduct an evaluation of the National Center for Education Statistics (NCES). The study will assess: (1) data quality and quality assurance processes, (2) program content and services as they relate to NCES' Congressional mandate, (3) the timeliness of data collection and dissemination, and (4) issues that cut across the prior tasks and concern the Center as a whole. The evaluation will begin in FY 1985 and is expected to take 18 months to complete.

The Small Business Innovation Research (SBIR) Program

The Small Business Innovation Development Act of 1982 requires federal agencies with R&D budgets over $100 million to set aside a certain amount of that budget for a special competition limited to small businesses. Companies that win relatively small initial Phase I contracts to determine the feasibility of an innovative idea are then eligible in the following year to compete for larger Phase II contracts for further R&D.

This year, as before, ED's participation in the SBIR program was managed by OERI's Education Technology and Science Staff. The Phase I competition generated some 230 proposals spanning the five areas in which projects were solicited: 1) Technology and Vocational Training and Placement; 2) Simplifying and Improving the Creation of Software; 3) Innovative Approaches to Bilingual Education; 4) Input and Output Mechanisms and Devices; and 5) Research and Development of Models, Guides, and Plans for Handicapped Populations. Thirteen Phase I awards totaling about $373,000 were made in FY 1984. In addition, Phase II contracts totaling about $320,000 were awarded to three of last year's Phase I winners.

Conference and Report on Mathematics Education

In December 1983, partly in response to the NCEE report, OERI sponsored a major conference on mathematics education. Among the more than 40 participants were teachers and mathematics supervisors at the state and local levels as well as mathematicians, teacher educators, researchers in mathematics education, and people who produce instructional materials and tests. A 2-volume report entitled Mathematics Education: Options for the 1990s resulted from the conference. The first volume sets forth the conclusions of the meeting in the form of 10 recommendations for improving mathematics education in the coming decade. The recommendations are concerned with mathematics curriculum, computer courseware, staffing patterns for mathematics instruction, teacher education, the incorporation of research-based knowledge in instructional materials, and overall surveys of improvements in mathematics education. The second volume contains a more detailed account of the proceedings of the meeting, including papers that were presented.

The results of this conference are expected to be useful and informative to decisionmakers at all levels as they grapple with the difficult task of making substantial improvements in mathematics education in the years ahead.

International Cooperative Activities

As an active contributor to the Department's international program in FY 1984, OERI participated in international organizations, sponsored briefings and seminars on American education for foreign visitors, and conducted roundtable discussions and conferences to offer American education experts an opportunity to meet with foreign experts.

The United States participates fully as a member country in all of the activities of the Organization for Economic Cooperation and Development (OECD). Acting for the U.S. Department of Education, the Office of the Assistant Secretary for Educational Research and Improvement provided significant planning support for a conference of OECD member countries in July 1984 on the subject of "Education and the New Information Technologies." The Assistant Secretary for Educational Research and Improvement served as the leader of an eight-person U.S. delegation.

OERI conducted briefings for international visitors on educational topics such as ED programs and policies, educational technology, libraries, and research and dissemination activities. In the past year, OERI hosted delegations from Korea and the Peoples Republic of China. OERI also sponsored seminars and roundtable discussions for representatives from Great Britain and Sweden. Issues discussed at these sessions ranged from reading, excellence in education, and teaching the gifted and talented to educational practices and development in other countries. In addition, OERI provided briefings for American educators traveling in Korea, Thailand, and other nations.

Public-Private Activities

OERI people, often acting as volunteers themselves, participated in many activities designed to cultivate public-private and association partnerships. For example, OERI staff were involved in the planning and final tournament judging of MATHCOUNTS, the mathematics competition for seventh- and eighth-grade students conducted by the National Society of Professional Engineers. OERI staff contributed papers to the science education sessions of the American Association for the Advancement of Science and the American Association of Physics Teachers, and published articles encouraging youths to participate in the Science Talent Search. Finally, OERI staff participated in the Constitution II program on the 197th Anniversary of the Constitution of the United States.

Conclusion

During FY 1985, OERI will continue to emphasize the high priority areas of technology, math and science, and excellence in education. In CLEI the library programs will focus on implementing the recommendations regarding libraries and the learning society in Alliance for Excellence and NDN will emphasize exemplary programs that build effective schools. Present OERI activities in technology and in math and science education will probably expand as the Department implements the Education for Economic Security Act, P.L. 98-377.

NCES will maintain its core statistics program, continue its redesign efforts in postsecondary and vocational education, and develop a plan to maximize the use of technology to improve the quality and timeliness of its data.

NIE will continue to provide research results of practical use to teachers, administrators, parents, and policymakers for improvement of their schools. The program will extend the search for improvements in software and education technology, teacher quality and effectiveness, and secondary schools even further. The first national competition in approximately 20 years will establish a new network of educational R&D laboratories and centers focused on the most urgent problems in American schools and serving the current needs of American education in all 50 states. The entire NIE program will continue to emphasize outreach and utility to ensure results of direct and measurable benefits to the classrooms of America.

OFFICE FOR CIVIL RIGHTS

The Office for Civil Rights (OCR) enforces four federal statutes that prohibit discrimination in programs and activities receiving federal financial assistance from the Department of Education. Discrimination on the basis of race, color, and national origin is prohibited by Title VI of the Civil Rights Act of 1964; sex discrimination is prohibited by Title IX of the Education Amendments of 1972; handicap discrimination is prohibited by Section 504 of the Rehabilitation Act of 1973; and age discrimination is prohibited by the Age Discrimination Act of 1975.

To enforce these laws, OCR investigates complaints and conducts compliance reviews. As part of the complaint investigation process, OCR negotiates and mediates disputes. OCR also offers technical assistance to encourage voluntary compliance. These compliance activities involve school districts, colleges and universities, state rehabilitation centers, and other recipients and beneficiaries of federal funds from the Department of Education.

Complaint Resolution

Investigation and resolution of complaints alleging illegal discrimination are OCR's primary activities. During FY 1984, OCR received 1,928 complaints and closed 1,946. (Some of the complaints closed were received in previous years.) The bases for the alleged discrimination in complaints received were as follows: 47 percent were based on handicap; 18 percent on race; 8 percent on sex; 3 percent on national origin; and 3 percent on age. Twelve percent alleged a combination of bases for the alleged discrimination (e.g., race and sex). The remaining 9 percent alleged bases for which OCR did not have jurisdiction.

Of the complaints received, 62 percent involved elementary and secondary schools; 28 percent involved postsecondary schools; 3 percent involved vocational rehabilitation agencies; and the remaining 7 percent involved other institutions, only some of which received federal financial assistance from the Department. Sixty-eight percent alleged discrimination in delivery of services, while most of the remainder alleged discrimination in employment. As of September 30, 1984, 861 complaints were pending, down from 888 as of September 30, 1983.

During FY 1984, OCR settled five cases for which enforcement actions before an Administrative Law Judge had been initiated. One of the most significant administrative enforcement cases settled involved the Board of Regents of the University System of Georgia. Before going to hearing, OCR negotiated a resolution of the case and subsequently, pursuant to a motion by OCR, the case was dismissed on June 25, 1984. As a result, Georgia agreed to institute a program of services, including increased remedial educational services at the three traditionally black institutions.

Early Complaint Resolution

In an effort to encourage voluntary resolution of complaints prior to an investigation, OCR has employed an Early Complaint Resolution (ECR) process. ECR was instituted in November 1981. In FY 1984, ECR was offered in approximately 12 percent of all complaints received. Sixty-one percent of all ECR starts were mediated successfully; that is, the complainant and recipient reached a mutually satisfactory agreement and the complaint was withdrawn.

Pre-Letter of Findings Settlements

Another technique designed to improve the efficiency of the case handling process is the pre-letter of findings (LOF) settlement. In an attempt to reach a settlement prior to the issuance of a LOF addressing areas of noncompliance, OCR reviews its findings on each of the issues raised in the complaint or covered by the compliance review with the recipient. If a settlement is reached, OCR sets forth the terms of the settlement along with the applicable statutory requirements in the LOF. OCR then monitors the implementation of the settlement.

Compliance Reviews

In contrast to complaint activity, compliance reviews allow OCR to select for in-depth examination targeted discrimination issues and the compliance practices of selected recipients of Department funds. As a result, compliance reviews have the potential to affect significantly greater numbers of individuals. During FY 1984, OCR initiated 212 compliance reviews and closed 221. (Some of those closed were started in previous years.) As of September 30, 1984, 139 compliance reviews were pending.

Sixty-eight percent of the compliance reviews begun in FY 1984 involved elementary and secondary schools. They dealt with issues involving within-school discrimination, vocational education, special purpose schools, free appropriate public education, school segregation, and employment.

The remaining compliance reviews begun in FY 1984 involved postsecondary education and covered the issues of program accessibility, admissions, vocational education programs of community and junior colleges, student services, intercollegiate athletics, and employment.

Litigation

o The Adams Orders: On March 11, 1983, in Adams v. Bell, the U.S. District Court for the District of Columbia issued an Order modifying the Consent Decree it approved in 1977. This Order modified the time frames and procedures for processing complaints and compliance reviews. Among other things, the March 11, 1983, Order required OCR to resolve 762 "backlogged" cases, those which had not been processed within the time frames, by September 7, 1983. (The Order provided an exception for up to 20 percent of those cases, and directed that OCR could take one year from the date of the Order to resolve them. However, only 15 percent of the cases were excepted from the September 7, 1983, deadline.) OCR completed processing the "backlogged" cases as required by the Adams Order.

As a result of an appeal filed by the government, which argued that the Adams plaintiffs were without standing, that the arbitrary time frames were unworkable, and that the Order unconstitutionally intruded upon the duties of the Executive Branch, the Court of Appeals for the District of Columbia, on September 14, 1984, vacated the March 11, 1983, Order and remanded the case to the District Court to determine whether any of the plaintiffs has standing and whether the District Court improperly maintained jurisdiction after the case or controversy expired.

The March 24, 1983, Order in Adams v. Bell was not appealed and remains in effect. That Order required OCR to take specified actions involving the higher education desegregation plans for Arkansas, Florida, Georgia, Kentucky, North Carolina (Community College System), Oklahoma, Pennsylvania, Texas, and Virginia.

o In Grove City College v. Bell, 465 U.S. ____, 104 S. Ct. 1211 (1984), the Court held that an institution is a recipient even if the only federal financial assistance it receives derives from its students' receipt of federal financial assistance. While the Court also held that a recipient's nondiscrimination obligations are program specific, it stated that these obligations cover all subcomponents of the specific program or activity that receives federal funds (in this case the college's student aid program), including those subcomponents which are not federally funded.

Technical Assistance

During FY 1984, OCR completed an extensive review of its provision of technical assistance in order to develop strategies for enhancing the overall program, within available resources. As a result, greater emphasis was placed on the provision of technical assistance (TA) by the OCR Regional Offices, training regional staff for the expanded provision of TA to recipients and beneficiaries was initiated, a management system for tracking and evaluating OCR's TA program was implemented, and a needs assessment was developed to provide information regarding service and informational needs of recipients and beneficiaries.

OCR also continued Regional Office development of Memoranda of Understanding (MOUs) with state education and human rights agencies to support mutual civil rights objectives. In FY 1984, OCR negotiated 14 formal and 38 informal MOUs with state education and human rights agencies. The MOUs provide for an exchange of investigative findings, proposed remedies, and technical assistance with the aim of avoiding duplication of effort. The agreements also encourage consultation and input by each agency on complaint investigations, compliance reviews, and technical assistance.

Also during FY 1984, OCR implemented a revised system for tracking the provision of TA to recipients and beneficiaries. The Technical Assistance Management System (TAMS) focuses on the reporting of substantive TA activities that are outside the TA that may be provided in the context of complaint investigations and compliance reviews. The revised TA tracking system was designed to provide OCR managers with essential information to effectively track, measure, and evaluate OCR's TA program.

OCR continued to develop and provide technical assistance materials for recipients and beneficiaries. Examples of TA material developed include: a pamphlet providing information on sexual harassment and the requirements and procedures for addressing the problem, and a handbook providing guidance on increasing minority enrollment in graduate and professional schools. An information resources booklet was distributed to state and local education agencies presenting alternative education practices that have been useful in reducing overrepresentation of minority children in classes for the educable mentally retarded.

Monitoring

During FY 1984, efforts were undertaken to improve OCR's monitoring of states' implementation of vocational education methods of administration (MOA) for compliance with the Vocational Education Guidelines under Title VI of the Civil Rights Act. OCR's objectives were: (1) to provide the states with timely, substantive evaluation letters for the academic year 1983-1984; and (2) to develop procedures for OCR's annual monitoring, and timely and substantive evaluation of states' vocational education MOA implementation. A Vocational Education MOA Workshop was conducted in March 1984 to assist Regional Offices in carrying out their MOA compliance and technical assistance responsibilities.

Program Management Initiatives

The following were major program management initiatives in FY 1984 to increase efficiency and effectiveness:

- Final implementation of a reorganization plan was completed to ensure a more efficient utilization of resources and the accomplishment of OCR's mission.

- Microcomputers were acquired to improve OCR's data collection and information transmission capabilities.

- OCR implemented a revised Management-by-Objectives System to enhance its performance in accomplishing major policy, programmatic, and management initiatives.

- A random compliance review site selection procedure was implemented in 5 of the 10 OCR Regional Offices to determine the likelihood of finding discrimination at statistically randomly selected sites compared with sites selected using the more traditional procedures.
- Throughout FY 1984, OCR continued efforts to eliminate potential waste, fraud, and abuse. All OCR expenditures were carefully screened, notably those for travel, training, contracts, printing, and overtime.
- A plan for an OCR Policy Codification and Dissemination System, to facilitate OCR's timely access to policy documents on specific compliance issues, was developed.
- Procedures for enhancing cost-effectiveness of staff training were developed.
- Initial implementation of OCR's Technical Assistance Management System (TAMS), which tracks technical assistance provided outside the context of complaint investigation and compliance reviews, was completed. TAMS is designed to provide OCR managers with the information necessary to track, measure, and evaluate OCR's technical assistance program.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel (OGC) provides legal services to the Secretary of Education and other officials of the Department.

Legislation

In FY 1984, OGC supervised responses to over 200 Congressional and Administration requests for the Department's views on proposed and pending legislation

OGC also had the primary responsibility for drafting bills to implement the Department's legislative program, which included proposals to reauthorize vocational, adult, and Indian education programs, and other initiatives designed to implement the President's FY 1985 budget request. Bills to improve the operation of ongoing programs, including the Chapter 1 program of compensatory services for disadvantaged children, the Impact Aid program to school districts affected by federal activity, and the multi-billion dollar student financial assistance programs, were also drafted in FY 1984.

Responding to Administration concern to improve science and mathematics education, Congress in FY 1984 passed the Education for Economic Security Act. This major legislation authorizes programs designed to improve the quality of science and mathematics education, in addition to an "equal access" provision concerning freedom of religious and other speech for students attending public secondary schools. OGC in FY 1984 provided advice and technical assistance related to the bill.

Finally, OGC played a major role in consultations on reauthorization proposals for library and vocational programs, as well as on proposed changes to the Department's audit appeal procedures and civil rights legislation introduced by Congress in response to the U.S. Supreme Court decision in Grove City College v. Bell. More than 50 letters on pending legislation were prepared by OGC during FY 1984 to inform Congress of the Department's views on education bills.

Regulations

The legal staff of OGC and the regulations management staff of its Division of Regulations Management (DORM) work together to assure that Department regulations are correct, concise, legally sound, and reflect appropriate and understandable policies and interpretations. OGC attorneys played a leading role in drafting regulations, reviewing existing regulations, and identifying and resolving legal and policy issues that arose in the regulatory process. Through DORM, OGC also was responsible for overseeing, coordinating, and improving procedures for preparing regulations.

Major initiatives of the Department in the area of regulations during FY 1984 were:

- implementation of an improved and more timely regulations process through a more effective monitoring and reporting mechanism;
- completion of reviews of certain programmatic and administrative regulations, and establishment of a plan for the review of other targets of opportunity for deregulation;
- completion of a post-award evaluation of the burdens imposed by regulations; and
- elimination of unnecessarily burdensome application and reporting requirements in regulations.

OGC implemented a greatly improved process for the development, approval, and more timely issuance of regulations. The process accommodates legislative requirements, including the General Education Provisions Act, the Regulatory Flexibility Act, and the Paperwork Reduction Act of 1980, and furthers the goals of Executive Orders 12291 and 12372 and other regulatory relief efforts initiated by the Department and the Office of Management and Budget.

For purposes of deregulation, one-half of the more than 200 ED regulations were reviewed by the end of FY 1984. Efforts to reduce paperwork and burdensome regulatory provisions included the elimination of numerous application, reporting, and recordkeeping requirements and the placement of decisionmaking authority at the local, state, or institutional level. OGC was instrumental in identifying opportunities for deregulation and in preparing the necessary documents to accomplish this purpose.

OGC played a leading role in FY 1984 on the task force established to implement the regulations promulgated under Executive Order 12372, Intergovernmental Review of Federal Programs.

OGC services included not only drafting regulatory documents, but also identifying issues and options for policy resolution, maintaining a liaison with the Office of Management and Budget, providing legal advice to Department officials, and representing the Department in public meetings designed to identify and discuss regulatory issues.

Other major tasks performed by OGC included the review and revision of proposed or final regulations --

- to implement the Education for Economic Security Act;
- to offset federal employee salaries against money the employees owe the Department on student loans;
- to implement the Education of the Handicapped Act Amendments of 1983;
- to deregulate and improve the Campus-Based programs, the Pell Grant program, and the Guaranteed Student Loan and PLUS programs under Title IV of the Higher Education Act;
- to improve state agency programs under Chapters 1 and 2 of the Education Consolidation and Improvement Act;
- to implement Section 439(a) and (b) of the General Education Provisions Act -- Student Rights in Research, Experimental Activities, and Testing; and
- to implement the Impact Aid program.

Legal Advice

OGC provided legal advice during FY 1984 on many important statutory, constitutional, and regulatory issues in response to inquiries from the Secretary and other Department officials, the White House, the Congress, and the public. The major areas and issues included:

- applicability of civil rights laws to education institutions;
- administrative and management legal issues related to personnel, budget, Freedom of Information, and contract law;
- education of the handicapped;
- amendments to the Higher Education Act;
- charging of interest on debts owed the Department;
- compliance with statutory requirements governing the timely obligation of funds by state and local grantees (the Tydings Amendment);

- Chapter 1 of the Education Consolidation and Improvement Act and the block grant program under Chapter 2 of the Act;
- services to private elementary and secondary school children;
- audit procedures and audit compliance standards for major programs;
- state constraints on reimbursement for interpreter services for deaf Title I Rehabilitation Act clients attending postsecondary institutions; and
- applicability of the Service Contract Act to Randolph-Sheppard cafeteria contracts.

OGC also provided legal services needed for the day-to-day administration of many established programs of assistance to education administered by the Department. Program areas that required a concentration of legal service during FY 1984 included:

- student financial aid programs;
- part B of the Education of the Handicapped Act;
- Impact Aid;
- special education services for refugees and Cuban-Haitian entrants;
- Bilingual Education Act; and
- federal surplus property.

Litigation

Legal services provided by OGC during FY 1984 in connection with court and administrative litigation have improved the administration of Department programs. For example, in support of the Department's program to prevent waste, fraud, and abuse, OGC devoted considerable resources to the audit enforcement process, particularly under programs of aid to elementary, secondary, and vocational education and in the area of fiscal review of grantees and contractors. These activities included:

- resolving longstanding audit appeal and audit collection cases under Title I of the Elementary and Secondary Education Act (ESEA) through settlements and the use of authority for regranting recovered funds under Section 456 of the General Education Provisions Act;

- presenting the Department's position before U.S. Courts of Appeal in key cases testing the Department's authority to recover misspent program funds through administrative determination, and working with the Department of Justice in preparing petitions for certiorari in key cases;
- successfully representing the Department in complex reviews and appeals of final audit determinations and other rulings in connection with state-administered programs such as Title I of ESEA;
- resolving longstanding disputes arising out of grant and contract audit disallowances, including the recovery of funds through settlement negotiations.

Favorable settlements were achieved in several cases with lenders under the Federal Insured Student Loan Programs (FISLP).

Other key litigation included:

- defending procedures for the resolution of audit disputes;
- convening arbitration panels for, and overseeing the mediation of, disputes concerning vending sites for blind vendors under the Randolph-Sheppard Act;
- defending regulatory procedures governing termination of services for clients under Title I of the Rehabilitation Act;
- defending cases challenging the Department's authority to provide for federally assisted services to private school children in their schools;
- defending the Department's denial of claims for Impact Aid payments made by various school districts;
- seeking reversion of title and possession of land transferred to an institution under the federal surplus property program, for failure to comply with the terms and conditions of the transfer;
- handling litigation involving the authority of arbitration panels to award compensatory damages to blind vendors in relationship to state claims of sovereign immunity;
- successfully defending cases challenging the Department's Reduction-in-Force actions;

- representing the Department in litigation with the Chicago school board over the government's obligation to fund Chicago's desegregation plan;
- defending a class action lawsuit challenging the Department's alleged failure to provide night pay differential to certain employees;
- handling litigation involving the assignment of vending machine income and priority provisions of the Randolph-Sheppard Act; and
- successfully defending a bid protest by Bank Street College involving the award by NIE of a contract for an education center.

The Office also worked with the Department of Justice in civil rights cases dealing with the nature and scope of the Department's responsibilities under various civil rights statutes, including issues of scope of coverage of Title IX of the Education Amendments of 1972; elementary and secondary education statutes; higher education statutues; and aid to the handicapped statutes.

OFFICE OF LEGISLATION AND PUBLIC AFFAIRS

The Assistant Secretary of Education for Legislation and Public Affairs is the principal Departmental spokesperson for internal and external news media, and the Secretary's chief advisor on all legislative and congressional activities. The Office of Legislation and Public Affairs (OLPA) consists of the Assistant Secretary and her immediate support staff, and two Deputy Assistant Secretaries, one for Legislation and one for Public Affairs, each with his or her own professional staff.

The Office of Legislation and Public Affairs is charged with coordinating and directing all Departmental business with Congress and with other agencies throughout the Administration, including the Executive Office of the President. OLPA is also responsible for informing the general public of Administration education policies and programs through the print and electronic news media, both nationally and at the local level. In addition, OLPA administers provisions of the Freedom of Information Act, the Privacy Act, and the Ethics in Government Act, and serves as the repository for documents required under the Ethics in Government Act.

Over the past fiscal year OLPA has actively worked to advance Reagan Administration positions on a number of important legislative issues. The Office of Legislation works closely with congressional members and their staffs to garner support for the programs and priorities contained within the President's budget proposals. The legislative staff supports other offices within the Department of Education, assisting with preparations for congressional hearings and keeping Department officials informed of congressional activity which may affect their programs.

The OLPA public affairs staff has also been actively promoting Administration positions and Department of Education programs through the news media and through various publications such as American Education. Over the past year public interest in education has increased considerably, with the state and local governments making educational reform a top priority. This renewed concern about education quality has led to a major nationwide reform movement. The President and the Secretary have played major leadership roles in this national education revival, traveling throughout the U.S. speaking on the need to return excellence in American education. The Office of Public Affairs has supported these efforts by keeping the general public well informed of Administration actions and policies that contribute to this reform movement.

The Department of Education has sponsored a number of national awards programs to focus public attention on outstanding examples of educational leaders, including students and school administrators. The Department has also sponsored programs to recognize secondary schools which exemplify the level of educational excellence for which the Administration is striving. Through the efforts of the OLPA public affairs staff, these highly successful programs have garnered enthusiastic support from the general public and the professional education community alike, and have generated excellent media coverage of the Administration's education efforts.

OLPA has been very successful over the past year in furthering the Administration's educational reform efforts by providing accurate, timely information to the Congress, the professional education community, and the general public. As a result, there has been widespread public support for the President's efforts to reform American education. In the coming year OLPA will continue working to build broad support for the President's policies by managing public opinion through the use of the news media and the legislative branch of the federal government.

OFFICE OF LEGISLATION

In April 1983, the release of A Nation at Risk, the report of the National Commission on Excellence in Education, awakened Americans to a multitude of serious problems which existed throughout our public education system. That report, and others that followed, focused national attention on the declining quality of America's primary and secondary schools. The resulting surge of interest in improving educational quality has prompted a reform movement that is sweeping across the U.S.

Following the release of A Nation at Risk, the Department of Education sponsored a series of educational forums throughout the United States, bringing together leading education authorities to discuss the Commission's findings and advance new ideas for improving our educational system. The culmination of these forums was the National Forum on Excellence in Education, held in December 1983 in Indianapolis. President Reagan served as the keynote speaker at the Forum, and his participation and leadership is indicative of the active role the Department of Education is taking in the movement to restore excellence in American education.

The Office of Legislation has been instrumental in facilitating the involvement of key congressional leaders in this education renewal. The OLPA legislative staff has worked closely with Members of Congress and their staffs, keeping them informed of Administration efforts to improve education by restructuring the federal government role in the education process. Secretary Bell and his senior staff officials appeared before House and Senate committees on a number of occasions to testify on the findings of the Commission and the Administration's proposed actions to enact its recommendations.

The Office of Legislation assisted with several other locally oriented forums to encourage more participation in the educational reform discussions. Through a series of town meetings and field hearings, as well as the federally sponsored education awards programs to recognize outstanding students, teachers, schools, and school administrators, the educational reform movement is now recognized as a national priority.

The Office of Legislation has also assisted the Republican Task Force on Education, a committee of key House Republicans who share an active interest in education reform. OLPA has worked closely with the task force, providing information on Administration efforts in education.

The heightened awareness of problems in our education system among Members of Congress stimulated a number of legislative initiatives aimed at stemming the decline of quality among our teachers and in our schools. Several pieces of legislation were introduced in both the House and the Senate, and a number of these were given serious consideration.

In June 1983, the late Carl Perkins, former Chairman of the House Education and Labor Committee, appointed an independent, bipartisan group of educators, school administrators, parents and Members of Congress to serve on a 21-member task force on merit pay. The task force, which was charged with examining the issue of merit pay for teachers and related issues of teacher quality, issued its report in October of 1983.

The report emphasized improving standards of instruction rather than implementing performance-based pay for teachers. The report recommended raising beginning teachers' pay and imposing higher state standards for teachers, conducting experiments in performance-based pay in selected areas, and providing scholarships and fellowships for teacher education to encourage outstanding students to enter the teaching profession. The latter proposal was introduced as legislation by the task force members shortly after the report was released, and was signed into law by President Reagan as the Talented Teachers Act.

Legislative Activities

The 98th Congress continued to be active in educational reform, introducing a number of legislative initiatives to address specific deficiencies in our education system. The President's legislative priorities were introduced early in the first session, and several of our legislative initiatives in education received substantial congressional consideration.

The tuition tax credit legislation, a high priority of the Reagan Administration, was finally brought to a vote in the Senate. The provisions of the tuition tax credit proposal were added as an amendment to an Olympic tariff bill. Unfortunately, the amendment was tabled by a 59 to 38 vote, which precluded further consideration of the proposal at that time. Tuition tax credits remain a high priority of the Administration, and OLPA will continue to pursue its enactment in the 99th Congress.

Although not considered by the House of Representatives, the School Prayer Constitutional Amendment was the focus of a debate in the full Senate on March 20, 1984. While an overwhelming majority of the full Senate voted for the amendment, 56-44, the amendment fell 11 votes short of the two-thirds majority required for enactment. Another high priority of the Reagan Administration, school prayer will continue to receive the Department's strongest support.

The House did respond to the President's request for legislation to enhance math and science instruction, passing legislation in early 1983. During the second session of the 98th Congress, the Senate passed its version of the math-science bill, the Education for Economic Security Act. Attached to the legislation were several amendments, including the Equal Access amendment, which was supported by President Reagan. The Equal Access legislation would allow student religious groups to meet on school premises during non-instructional periods. This proposal was signed into law by President Reagan as part of the Education for Economic Security Act.

Several federal education programs were approved by Congress for reauthorization in an omnibus education bill known as H.R. 11. Those programs included Impact Aid, Adult Education, Women's Education Equity, Bilingual Education, Indian Education, and the National Center for Educational Statistics, the NAEP, and the Emergency Immigrant Education Act.

Other legislative action in education included the Carl Perkins Vocational Education Act, which was passed in October 1984 as an alternative to the Administration's own vocational education proposal. The Howard University Endowment Act, proposed by the Administration in the second session of the 98th Congress, was attached as an amendment to the Library Services and Construction Act and signed by the President in October 1984.

FY 1984 was a particularly busy year for legislative activity on education issues. As a result of the increased emphasis the Administration has placed on education during the last 4 years, more Members of Congress are beginning to take an active interest in reforming the entire education process.

OFFICE OF PUBLIC AFFAIRS

Through its publications, news services and broadcast program, the Office of Public Affairs informs the public of Department programs and policies.

In FY 1984, the Office was responsible for providing nationwide public and media attention to the Department-sponsored National Forum on Excellence in Education, held in Indianapolis in December 1983, and for three major reports.

The 3-day Forum attracted more than 2,500 persons. Among them were President Reagan, state governors, state and federal legislators, and leading educators and teachers. It was the climactic highlight of the Administration's mission to restore excellence to the Nation's public schools -- a mission which began with the publication of A Nation at Risk in April 1983.

The three major reports issued by the Department were: The Nation Responds, the first annual report on the positive reaction generated by A Nation at Risk; State Education Statistics, the first "report card" outlining each state's performance in 36 categories of educational performance and population characteristics; and Critical Needs in International Education: Recommendations for Action, a study offering suggestions for improving and expanding the study of foreign languages and cultures in America's schools and universities.

Following the Forum and release of these reports, the Office worked to keep the public and special interest groups informed on reactions to and comments on the reports and provided media access to Department policymakers to discuss responses and projections for addressing the many newly defined education issues. The Office continues, through various avenues of media contact, to keep alive public awareness of the pressing need for improving the academic standards of our schools.

News and Information Division

The Administration continued its leadership role in responding to major Department reports on education reform. The effort inspired an unprecedented focus of public and media attention on state and local endeavors to achieve excellence in education.

To help maintain this momentum for education improvement through state and local involvement, the Division played a key role in publicizing the Department's embarkation on promoting the building of "Partnerships in Education," a program designed to help local schools improve their services through "adoption" by business and industrial firms. The Department led the way in this effort by adopting the Amidon school in southwest Washington, D.C. The Department continued other broadly based participatory activities with such Division-publicized events as the President's Academic Fitness Program, the second annual Secondary School Recognition Program, and the 20th annual observance of the Presidential Scholars Program.

The Division also arranged periodic news conferences, press availabilities, and interviews for the Secretary and Department officials on major administrative policy objectives. A concerted move to abolish illiteracy in the United States was formalized when the Secretary announced midyear that the Department had established a continuing working relationship with the Assault on Illiteracy Programs (AOIP). Media interest was high and plans were made to bolster the Administration's mandate to stamp out illiteracy through governmentwide volunteer efforts to provide tutoring and administrative support at the community level.

Editorial Policy Division

Through publications, American Education magazine, and audiovisual, photographic, and other services, the Division continued its efforts to provide a broad array of information services for the public in a cost-effective manner.

The Department's Publications and Audiovisual Advisory Council (PAVAC), established under the authority of President Reagan's April 20, 1981, memorandum and OMB Bulletin 81-16, is a Departmentwide working group chaired by the Assistant Secretary for Legislation and Public Affairs charged with maintaining information services while controlling costs.

Publications

In FY 1984, the Division provided editorial services for the production of 58 major publications, including reports to the President and the Congress. All publications were carefully reviewed for cost-savings by PAVAC, and OLPA worked closely with the Council in ensuring that each publication complied with PAVAC specifications for production.

American Education

Selected papers presented at the National Forum on Excellence in Education were published in the Department's magazine as a special edition in March 1984. This issue was sent to each Forum participant in addition to regular subscribers.

Articles on school boards, computers in education, private sector participation in public education, education reform, magnet schools, the education profession, and on the Administration's policy and efforts to improve American education again provided readers with current and thought-provoking information about the Nation's public and private schools from the elementary level through college.

American Education continued two of its most popular features: "Statistic of the Month" and the annual "Guide to Programs."

The magazine's policy of relying on voluntary contributions by authors instead of contracting with freelance writers continued to bring rewards other than monetary. The 10 FY 1984 issues featured articles by senior officers of IBM; Pratt and Whitney Group, United Technologies Corporation; and Shell (Oil) Development Company; by such outstanding educators as a member of the New York State Board of Regents, university presidents, state and local school superintendents, the National Teacher of the Year; and national education policymakers including cabinet officials, Senators, Representatives, and Governors.

Audiovisual Services

During FY 1984, the Division provided technical consultation and guidance in the area of ED audiovisual products, assisting ED offices in the preparation of contracts and grants, and assuring that standards of high quality and cost effectiveness were met.

Speeches and Articles

The Division reviewed for compliance with Departmental policy 158 articles and speeches written by Department employees for non-federal journals and audiences.

Photography

OLPA's official photographer continued the practice of photographing Department officials for press releases and media requests. In addition, the photographer accompanied the Secretary to most of his appearances in the Washington Metropolitan Area and provided photographic support at many meetings and conferences held by the Secretary, Under Secretary, and Assistant Secretaries at Headquarters.

APPENDIX

Advisory Councils and Committees

October 1, 1983 - September 30, 1984

Advisory Council on Dependents' Education
Advisory Council on Education Statistics
Advisory Council on Native Hawaiian Education (inactive)
Advisory Council on Financing Elementary and Secondary Education (terminated April 29, 1984)
Asbestos Hazards School Safety Task Force
Federal Education Data Acquisition Council
Intergovernmental Advisory Council on Education
National Advisory Board of International Education Programs
National Advisory Committee on Accreditation and Institutional Eligibility
National Advisory Council on Adult Education
National Advisory Council on Bilingual Education
National Advisory Council on Continuing Education
National Advisory Council on Indian Education
National Advisory Council on Vocational Education
National Advisory Council on Women's Educational Programs
National Board of the Fund for the Improvement of Postsecondary Education
National Center for Research in Vocational Education Advisory Council

Boards and Commissions

October 1, 1983 - September 30, 1984

Civil Rights Reviewing Authority
Commission on Presidential Scholars
Education Appeal Board
Federal Interagency Committee on Education
National Council on Educational Research
National Council on the Handicapped (became an independent agency February 22, 1984)